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***TOWN OF JAMESTOWN***

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***FINANCIAL STATEMENTS***

***FOR THE FISCAL YEAR ENDED  
June 30, 2012***

***Bruce R. Keiser  
Town Administrator***

***Christina D. Collins  
Finance Director***

***Prepared by: Finance Department***

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***JAMESTOWN, RHODE ISLAND***

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**TOWN OF JAMESTOWN, RHODE ISLAND  
AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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## ***INTRODUCTORY SECTION***

This Section Contains the Following Subsections:

List of Town Officials

# **TOWN OF JAMESTOWN, RHODE ISLAND**

**Listing of Town Officials  
For the Year Ended June 30, 2012**

## **TOWN COUNCIL**

Michael Schnack, President  
Robert Bowen, Vice President  
William H. Murphy  
Michael G. White  
Ellen Winsor

## **TOWN ADMINISTRATOR**

Bruce R. Keiser

## **FINANCE DIRECTOR**

Christina D. Collins

## **SCHOOL COMMITTEE**

Catherine Kaiser, Chair  
Julie Kallfelz, Vice Chair  
Julie Held  
Saverio Rebecchi  
B. J. Whitehouse

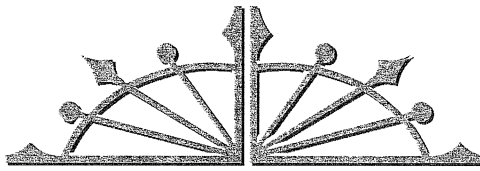
## **SCHOOL DIRECTOR OF FINANCE**

Jane Littlefield

## ***FINANCIAL SECTION***

This Section Contains the Following Subsections:

Independent Auditors' Report  
Management's Discussion and Analysis  
Basic Financial Statements  
Required Supplementary Information  
Supplementary Information



**BAXTER DANSEREAU & ASSOCIATES, LLP**  
Accounting, Consulting & Tax Services

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*Partners*  
William J. Baxter, Jr., CPA  
Paul L. Dansereau, CPA

***INDEPENDENT AUDITOR'S REPORT***

The Honorable President and  
Members of the Town Council  
Town of Jamestown  
Jamestown, Rhode Island

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Jamestown, Rhode Island (Town) as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Jamestown, Rhode Island's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "***Government Auditing Standards***" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, business type activities, each major fund and the aggregate remaining fund information of the Town of Jamestown, Rhode Island as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 21, 2012 on our consideration of the Town of Jamestown, Rhode Island's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 12 and 64 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management discussion and analysis information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual non-major fund financial statements, the budgetary comparison schedules on pages 64-71 and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

  
Baxter Dansereau & Associates, LLP  
December 21, 2012

## **MANAGEMENTS' DISCUSSION AND ANALYSIS**

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

Our discussion and analysis of the Town of Jamestown, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2012.

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. See Note 1 Summary of Significant Accounting Policies in the Notes to the Financial Statements.

### **Financial Highlights**

- ❖ The Town's primary government net assets increased in the amount of \$1,699,035 as a result of this year's operations. On a government-wide basis the assets of the Town of Jamestown exceeded its liabilities at the close of the most recent fiscal year by \$18,595,897. Net assets of business activities increased by \$385,688 or 5.6%, while current net assets of Governmental Activities increased by \$1,313,347 or 7.6%.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$24,403,825 while revenues collected were \$26,102,860 for the 12 month fiscal year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,178,512. Over 46% of this amount, \$3,771,626 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general funds unassigned fund balance was \$3,929,992, which equals 18.5% of the total general fund expenditures for the fiscal year. The current fiscal year's revenues exceeded expenditures and transfers by \$204,782. On a budgetary basis revenues exceeded expenditures and transfers by \$795,693.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These basic financial statements consist of three components:

- Government – wide financial statements
- Fund financial statements
- Notes to financial statements

In addition to the basic financial statements, this report also contains other supplementary information.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

The Town's basic financial statements and other supplementary financial information provide information about all of the Town's activities. They provide both a short-term and a long-term view of the Town's financial health as well as information about activities for which the Town acts solely as a trustee for the benefit of those outside of the Town's government.

**Government-wide financial statements** - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. They are presented on the accrual base of accounting where revenues and expenditures are recognized on the date they occurred rather than on the date they were collected or paid.

The *Statement of Net Assets* presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information which shows how the Town's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Examples are uncollected taxes and earned but unused compensated absences.

Both of the government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public safety, development services, cultural and recreational services. The Town's business activities include the Jamestown Harbor Management Fund, Water Fund, On-site Wastewater Fund and the Sewer Fund.

The government wide financial statements are reported on pages 13 through 14.

**Fund financial statements** – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories-governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and Capital Improvement Fund which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary Funds** - The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has four enterprise funds, the Jamestown Harbor Management Fund, the Water Fund, the On-site Wastewater Fund and the Sewer Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Jamestown Harbor Management Fund, Water Fund, On-site Wastewater Fund and Sewer Fund.

The basic proprietary fund financial statements are presented on pages 18 through 20.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 21 and 22.

**Notes to Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 23 through 63.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary Information is presented on pages 64 through 72.

The combining statements referred to earlier in connection with non-major governmental funds, and proprietary funds are presented on pages 73 through 107.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

**Government-wide Financial Analysis**

**Analysis of the Town of Jamestown's Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town of Jamestown, governmental activities assets exceeded liabilities by \$18,595,897 as of June 30, 2012. This reflects a net increase of \$1,313,347 from the previous year. See page 3 financial highlights for a further explanation.

Listed below is a comparison of the current and prior fiscal years.

	<i>Town of Jamestown</i>					
	<i>Net Assets</i>					
	<u>June 30, 2011</u>			<u>June 30, 2012</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 10,993,447	\$ 249,482	\$ 11,242,929	\$ 11,255,206	\$ 494,399	\$ 11,749,605
Capital assets	20,521,867	17,974,109	38,495,976	20,889,952	17,450,155	38,340,107
Total Assets	<u>31,515,314</u>	<u>18,223,591</u>	<u>49,738,905</u>	<u>32,145,158</u>	<u>17,944,554</u>	<u>50,089,712</u>
Other Liabilities	1,961,508	194,941	2,156,449	1,943,745	202,931	2,146,676
Long-Term Liabilities	12,271,256	11,176,719	23,447,975	11,605,516	10,504,004	22,109,520
Total Liabilities	<u>14,232,764</u>	<u>11,371,660</u>	<u>25,604,424</u>	<u>13,549,261</u>	<u>10,706,935</u>	<u>24,256,196</u>
Net Assets:						
Invested in Capital						
Net of Related Debt	10,521,367	6,894,580	17,415,947	11,554,452	7,040,823	18,595,275
Restricted for:						
Education programs	2,011,818	-	2,011,818	1,964,205	-	1,964,205
Public safety programs	48,657	-	48,657	47,760	-	47,760
Unrestricted	4,700,708	(42,649)	4,658,059	5,029,480	196,796	5,226,276
Total Net Assets	<u>\$ 17,282,550</u>	<u>\$ 6,851,931</u>	<u>\$ 24,134,481</u>	<u>\$ 18,595,897</u>	<u>\$ 7,237,619</u>	<u>\$ 25,833,516</u>

The portion of the Town's governmental activities net assets of \$11,554,452 consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

As of June 30, 2012 the Town of Jamestown reports positive balances in both categories of net assets for the government as a whole.

**Analysis of the Town of Jamestown's Operations**

The following analysis provides a summary of the Town's operations for the year ended June 30, 2012. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year February 29, 2004. Therefore, comparative data is available and is presented in the following schedules. Current year Governmental activities increased the Town's net assets by \$1,313,347 or 7.6%, while business-type activities increased the Town's net assets by \$385,688 accounting for 5.6% for a total increase in the primary governments net assets of 1,699,035.

The following table presents a comparative schedule of the activity that accounted for the increases in the Town's net assets.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

*Town of Jamestown*  
*Changes in Net Assets*

	June 30, 2011			June 30, 2012		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
<i>Revenues</i>						
<i>Program revenues</i>						
Charges for services	\$ 1,320,902	\$ 2,076,339	\$ 3,397,241	\$ 1,229,036	\$ 2,181,230	\$ 3,410,266
Federal/State grants	1,383,298	-	1,383,298	1,932,043	-	1,932,043
<i>General Revenues</i>						
Property taxes	17,849,996	-	17,849,996	18,180,043	-	18,180,043
Investment earnings	159,265	3,040	162,305	120,587	3,420	124,007
State aid	678,083	-	678,083	714,529	-	714,529
Miscellaneous	1,451,155	211,141	1,662,296	1,173,497	217,864	1,391,361
Special item - gain on sale of building	-	-	-	-	350,611	350,611
Total revenues	<u>22,842,699</u>	<u>2,290,520</u>	<u>25,133,219</u>	<u>23,349,735</u>	<u>2,753,125</u>	<u>26,102,860</u>
<i>Expenses</i>						
Legislative/judicial/admin	2,397,669	-	2,397,669	2,043,669	-	2,043,669
Financial Administrative	293,462	-	293,462	299,135	-	299,135
Public Safety	2,380,591	-	2,380,591	2,427,474	-	2,427,474
Public Works	2,037,782	-	2,037,782	1,952,441	-	1,952,441
Public Welfare	3,964	-	3,964	3,964	-	3,964
Public Health	244,165	-	244,165	279,296	-	279,296
Tree Warden	26,503	-	26,503	34,879	-	34,879
Library	380,780	-	380,780	357,584	-	357,584
Parks & Recreation	481,358	-	481,358	481,623	-	481,623
Other	1,832,361	-	1,832,361	1,297,091	-	1,297,091
Education	12,322,564	-	12,322,564	12,454,292	-	12,454,292
Interest	428,354	-	428,354	396,940	-	396,940
Harbor Management Fund	-	276,147	276,147	-	207,576	207,576
Water Fund	-	1,020,152	1,020,152	-	1,045,296	1,045,296
On-Site Wastewater Fund	-	41,686	41,686	-	32,661	32,661
Sewer Fund	-	1,084,891	1,084,891	-	1,089,904	1,089,904
Total expenses	<u>22,829,553</u>	<u>2,422,876</u>	<u>25,252,429</u>	<u>22,028,388</u>	<u>2,375,437</u>	<u>24,403,825</u>
Transfers	(8,000)	8,000	-	(8,000)	8,000	-
Change in net assets	5,146	(124,356)	(119,210)	1,313,347	385,688	1,699,035
Net assets beginning	17,281,691	6,976,287	24,257,978	17,282,550	6,851,931	24,134,481
Prior period adjustment	(4,287)	-	(4,287)	-	-	-
Net assets ending	<u>\$ 17,282,550</u>	<u>\$ 6,851,931</u>	<u>\$ 24,134,481</u>	<u>\$ 18,595,897</u>	<u>\$ 7,237,619</u>	<u>\$ 25,833,516</u>



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

**Financial Analysis of the Town of Jamestown's Funds**

**Governmental Funds** - The focus of the Town of Jamestown's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,178,512. Over 46% of the total amount, or \$3,771,626 constituted unassigned fund balances. The remainder of the fund balance is categorized at various commitment levels as follows.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Fund Balance Categories**

<i>Nonspendable:</i>	
Inventories	\$ 11,124
Prepays	45,908
<i>Restricted for:</i>	
Educational programs	1,964,205
Public safety programs	47,760
<i>Committed for:</i>	
Public works programs	393,698
2013 Budgeted operations	150,000
Town capital programs	162,175
Compensated absences	681,383
<i>Assigned for:</i>	
Public safety programs	37,252
Public welfare programs	130,594
Public works programs	318,447
Culture and recreation	464,340
<i>Unassigned:</i>	3,771,626
<b>Total fund balances</b>	<u>\$ 8,178,512</u>

**Proprietary Funds** - The Town of Jamestown's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

**General Fund Budgetary Highlights**

**Revenues:**

Real Estate and Tangible Taxes - were over budget by \$63,768 due to high collection rate and payment of previous year's taxes.

License and Permits - were under budget \$30,067 due to lower than anticipated recordings and construction.

Intergovernmental & Departmental - were over budget \$227,228 due to higher than anticipated activities in various departments and unbudgeted Federal Stabilization Funds.

Interests on Investments - were under budget due to continued low interest rates on investments.

**Expenses:**

Legislative, Judicial and General Administrative - was under budget by \$49,160 as a result of various cost savings within the departments.

Public Works - was under budget \$29,145 due to various cost savings.

Parks and Recreation - was under budget \$29,484, due to various costs savings.

Debt Service - was over budget \$71,312 due to fiscal year 2009-2010 warrant which had certain debt being paid from the undesignated fund balance.

**The Town of Jamestown's Capital Assets**

The Town of Jamestown's investment in capital assets for its governmental and business-type activities amounts to \$38,340,107 net of accumulated depreciation at June 30, 2012. Included are land, building and improvements, construction in progress, motor vehicles, infrastructure, furniture and equipment.

Additional information on the Town of Jamestown's capital assets is located in note 6 of the notes to the financial statements.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

*Town of Jamestown*  
*Capital Assets (Net of Accumulated Depreciation) (000's)*

	June 30, 2011			June 30, 2012		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land & Development Rights	\$ 6,818	\$ 55	\$ 6,873	\$ 6,818	\$ 55	\$ 6,873
Construction in Progress	-	-	-	21	-	21
Buildings and improvements	8,035	17,546	25,581	8,147	16,951	25,098
Infrastructure	4,354	-	4,354	4,374	-	4,374
Mains, wells, pumps & hydrants	-	296	296	-	357	357
Machinery and equipment	1,315	78	1,393	1,530	87	1,617
Total	\$ 20,522	\$ 17,975	\$ 38,497	\$ 20,890	\$ 17,450	\$ 38,340

**The Town of Jamestown's Debt Administration**

At the end of the current fiscal year, the Town of Jamestown's Governmental Activities had a total bonded debt of \$9,335,500. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

*Town of Jamestown*  
*Outstanding Debt*  
*General Obligation and Notes Payable (000's)*

	June 30, 2011			June 30, 2012		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
General Obligation Bonds	\$ 10,000	\$ 290	\$ 10,290	\$ 9,336	\$ 240	\$ 9,576
Notes Payable	-	10,790	10,790	-	10,174	10,174
Totals	\$ 10,000	\$ 11,080	\$ 21,080	\$ 9,336	\$ 10,414	\$ 19,750

Additional information on the Town's long-term debt can be found in note 9 of the Notes to the Financial Statements and on pages 109 through 111.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2012**  
**(Un-audited)**

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2011 was Aa3. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Jamestown's limit is \$60,169,529 at year-end. The Town's outstanding general obligation debt is \$9,335,500 at year-end, which is \$50,834,029 under the State imposed limitation.

Several of the Town's bonds are insured and thus hold a Triple A credit rating from both Moody's and Fitch Rating Service.

**Economic Factors and Next Year's Budgets and Rates**

For the fiscal year ending June 30, 2013 the Town of Jamestown has adopted a total general fund budget of \$21,586,065. Of the Town's 2013 budget, \$12,384,378 or 57.40% is budgeted for educational purposes and \$9,201,687 or 42.60% is budgeted for General Fund purposes.

The State of Rhode Island is budgeted to contribute \$460,929 to the Town's education department for the fiscal year ending June 30, 2013.

The Town's tax rate for fiscal 2012 was \$9.21, with 36.90% allocated for general government and 63.10% allocated for education. For fiscal 2013 the Town's tax rate is \$9.35, with 38.65% allocated for general government and 61.35% allocated for education.

**Request for Information**

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Finance Director's Office, Town of Jamestown, 93 Narragansett Ave., Jamestown, RI 02835.

Christina D. Collins  
Finance Director

## ***BASIC FINANCIAL STATEMENTS***

The Basic Financial Statements include  
the Government-Wide Financial Statements,  
the Fund Financial Statements and the  
Notes to the Financial Statements

## ***Government Wide Financial Statements***

The Government Wide Financial Statements include  
the Statement of Net Assets and the  
Statement of Activities

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Net Assets**  
**June 30, 2012**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,746,650	\$ 767,162	\$ 9,513,812
<b>Accounts receivable:</b>			
Accounts receivable - net	389,045	282,583	671,628
Due from other governments	126,525	-	126,525
Other receivables	123,839	103,537	227,376
Internal balances	784,903	(784,903)	-
Inventory at cost	-	42,070	42,070
Other Assets - net	1,084,244	83,950	1,168,194
<b>Capital assets:</b>			
Property, plant and equipment - net	20,868,977	17,450,155	38,319,132
Construction in progress	20,975	-	20,975
<b>Total capital assets</b>	<b>20,889,952</b>	<b>17,450,155</b>	<b>38,340,107</b>
<b>TOTAL ASSETS</b>	<b>32,145,158</b>	<b>17,944,554</b>	<b>50,089,712</b>
<b>LIABILITIES</b>			
Accounts payable	638,193	94,128	732,321
Accrued expenses	921,436	108,803	1,030,239
Deferred revenue	384,116	-	384,116
<b>Long-term liabilities</b>			
Due within one year	660,000	680,633	1,340,633
Due in more than one year	10,945,516	9,823,371	20,768,887
<b>Total liabilities</b>	<b>13,549,261</b>	<b>10,706,935</b>	<b>24,256,196</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	11,554,452	7,040,823	18,595,275
Restricted for:			
Education programs	1,964,205	-	1,964,205
Public safety programs	47,760	-	47,760
Unrestricted	5,029,480	196,796	5,226,276
<b>Total net assets</b>	<b>\$ 18,595,897</b>	<b>\$ 7,237,619</b>	<b>\$ 25,833,516</b>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2012**

Functions/ Programs	Program revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental	Primary Government
				Activities	Business-type Activities
					Total
<b>Primary government</b>					
Governmental activities:					
Legislative, judicial and general administrative	\$ 2,043,669	\$ 260,887	\$ -	\$ (1,782,782)	\$ (1,782,782)
Financial administration and tax assessor	299,135	52,858	11,856	(234,421)	(234,421)
Public safety	2,427,474	312,443	166,685	(1,948,346)	(1,948,346)
Public works	1,952,441	125,592	593,022	(1,233,827)	(1,233,827)
Public welfare	3,964	-	186,176	182,212	182,212
Public health	279,296	-	143,053	(136,243)	(136,243)
Tree warden	34,879	-	-	(34,879)	(34,879)
Library	357,584	7,291	150,669	(199,624)	(199,624)
Parks & recreation	481,623	469,965	68,477	56,819	56,819
Other	1,297,091	-	187,124	(1,109,967)	(1,109,967)
Education	12,454,292	-	424,981	(12,029,311)	(12,029,311)
Interest	396,940	-	-	(396,940)	(396,940)
<b>Total governmental activities</b>	<b>22,028,388</b>	<b>1,229,036</b>	<b>1,932,043</b>	<b>(18,867,309)</b>	<b>(18,867,309)</b>
Business type activities:					
Harbor management fund	207,576	326,090	-	-	118,514
Water fund	1,045,296	837,943	-	-	(207,353)
On-site wastewater fund	32,661	35,740	-	-	3,079
Sewer fund	1,089,904	981,457	-	-	(108,447)
<b>Total business-type activities</b>	<b>2,375,437</b>	<b>2,181,230</b>	<b>-</b>	<b>(194,207)</b>	<b>(108,447)</b>
<b>Total primary government</b>	<b>\$ 24,403,825</b>	<b>\$ 3,410,266</b>	<b>\$ 1,932,043</b>	<b>(18,867,309)</b>	<b>(19,061,516)</b>
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes				18,180,043	18,180,043
Unrestricted investment earnings				120,587	124,007
State aid				714,529	714,529
Miscellaneous				1,173,497	1,391,361
<i>Special item - gain on sale of building</i>				-	350,611
Transfers				(8,000)	-
Total general revenues				20,180,656	20,760,551
<b>Change in net assets</b>				<b>1,313,347</b>	<b>1,699,035</b>
Net assets-beginning				17,282,550	24,134,481
Net assets-ending				\$ 18,595,897	\$ 25,833,516

See auditor's report and accompanying notes to these financial statements



***Fund Financial Statements***

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2012**

	<b>General Fund</b>	<b>Capital Improvement Fund</b>	<b>Other Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 8,440,519	\$ 59,440	\$ 246,691	\$ 8,746,650
<b>Accounts receivable:</b>				
Property tax receivable net	389,045	-	-	389,045
Due from other governments	-	-	126,525	126,525
Other receivables	123,611	228	-	123,839
Internal balances	5,950,394	1,279,836	1,490,737	8,720,967
Other Assets - net	57,032	-	-	57,032
<b>TOTAL ASSETS</b>	<b>\$ 14,960,601</b>	<b>\$ 1,339,504</b>	<b>\$ 1,863,953</b>	<b>\$ 18,164,058</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 518,187	\$ 51,623	\$ 68,383	\$ 638,193
Accrued expenses	804,810	6,661	-	811,471
Internal balances	6,412,066	1,335,591	188,407	7,936,064
Deferred revenue	280,751	-	319,067	599,818
<b>Total liabilities</b>	<b>8,015,814</b>	<b>1,393,875</b>	<b>575,857</b>	<b>9,985,546</b>
 <b>Fund balances:</b>				
<i>Nonspendable:</i>				
Inventories	11,124	-	-	11,124
Prepays	45,908	-	-	45,908
<i>Restricted for:</i>				
Educational programs	1,964,205	-	-	1,964,205
Public safety programs	-	-	47,760	47,760
<i>Committed for:</i>				
Public works programs	-	-	393,698	393,698
2013 Budgeted operations	150,000	-	-	150,000
School capital programs	162,175	-	-	162,175
Compensated absences	681,383	-	-	681,383
<i>Assigned for:</i>				
Public safety programs	-	-	37,252	37,252
Public welfare programs	-	-	130,594	130,594
Public works programs	-	-	318,447	318,447
Culture and recreation	-	-	464,340	464,340
<i>Unassigned:</i>	3,929,992	(54,371)	(103,995)	3,771,626
<b>Total fund balances</b>	<b>6,944,787</b>	<b>(54,371)</b>	<b>1,288,096</b>	<b>8,178,512</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 14,960,601</b>	<b>\$ 1,339,504</b>	<b>\$ 1,863,953</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 8)	20,889,952
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 8)	178,655
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 8)	(10,651,222)
<b>Net assets of governmental activities</b>	<b>\$ 18,595,897</b>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2012**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Property tax	\$ 18,065,154	\$ -	\$ -	\$ 18,065,154
Intergovernmental and departmental revenue	2,146,808	93,048	1,204,991	3,444,847
Federal revenue - State fiscal stabilization	23,794	-	-	23,794
License and permits	858,933	-	-	858,933
Fines and interest on late payments	130,817	-	-	130,817
Interest on investments	27,601	-	-	27,601
Other revenues	87,835	-	591,455	679,290
<b>Total revenues</b>	<u>21,340,942</u>	<u>93,048</u>	<u>1,796,446</u>	<u>23,230,436</u>
<b>Expenditures</b>				
Legislative, judicial and general administrative	1,947,278	-	-	1,947,278
Financial administration and tax assessor	299,135	-	-	299,135
Public safety	2,160,815	-	-	2,160,815
Public works	1,558,042	-	-	1,558,042
Public welfare	3,964	-	-	3,964
Public health	279,296	-	-	279,296
Tree warden	34,879	-	-	34,879
Library	357,584	-	-	357,584
Parks & recreation	464,836	-	-	464,836
Other	72,920	18,275	979,053	1,070,248
Education	11,862,654	-	385,406	12,248,060
Capital outlay	-	1,423,736	55,269	1,479,005
<b>Debt service:</b>				
Principal	665,000	-	-	665,000
Interest	405,295	-	-	405,295
<b>Total expenditures</b>	<u>20,111,698</u>	<u>1,442,011</u>	<u>1,419,728</u>	<u>22,973,437</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>1,229,244</u>	<u>(1,348,963)</u>	<u>376,718</u>	<u>256,999</u>
<b>Other financing sources (uses)</b>				
Transfers from other funds	150,000	1,018,551	(2,089)	1,166,462
Transfers to other funds	(1,174,462)	-	-	(1,174,462)
<b>Total other financing sources (uses)</b>	<u>(1,024,462)</u>	<u>1,018,551</u>	<u>(2,089)</u>	<u>(8,000)</u>
<b>Excess of revenues and other sources over(under) expenditures and other uses</b>	<u>204,782</u>	<u>(330,412)</u>	<u>374,629</u>	<u>248,999</u>
<b>Fund balances - beginning</b>	<u>6,740,005</u>	<u>276,041</u>	<u>913,467</u>	<u>7,929,513</u>
<b>Fund balances - ending</b>	<u>\$ 6,944,787</u>	<u>\$ (54,371)</u>	<u>\$ 1,288,096</u>	<u>\$ 8,178,512</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2012**

Net change in fund balances-total governmental funds	\$	248,999
<p>Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:</p> <p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceed depreciation expense in the current period.</p>		
Capital Outlay	1,479,005	
Depreciation Expense	<u>(1,110,920)</u>	368,085
Reductions in deferred revenue that provide current financial resources to governmental funds are not reported as revenues in the statement of activities.		114,889
Some expenditures reported in the governmental funds that require the use of current financial resources are not reported as expenditures in the statement of activities. This is the net effect of those activities.		8,355
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which principal was reduced.		665,000
Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.		<u>(91,981)</u>
Change in net assets of governmental activities	\$	<u><u>1,313,347</u></u>

*Please see Note 9 for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements*

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2012**

	<b>Enterprise Funds</b>				
	<b>Harbor Management Fund</b>	<b>Water Fund</b>	<b>On-Site Wastewater Fund</b>	<b>Sewer Fund</b>	<b>Total</b>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 107,139	\$ 489,882	\$ -	\$ 170,141	\$ 767,162
<b>Accounts receivable - net:</b>					
Water and sewer user fees	-	62,177	-	220,406	282,583
Other receivables	99,032	-	-	4,505	103,537
Internal balances	24,751	-	1,088	-	25,839
Inventory	-	42,070	-	-	42,070
<b>Total current assets</b>	<b>230,922</b>	<b>594,129</b>	<b>1,088</b>	<b>395,052</b>	<b>1,221,191</b>
<b>Non-current assets</b>					
<b>Property, plant and equipment</b>					
Reservoirs and land	-	55,200	-	-	55,200
Plant facilities	-	7,797,870	-	12,039,702	19,837,572
Extensions and mains	-	2,711,352	-	2,058,866	4,770,218
Equipment	108,196	110,752	-	155,849	374,797
<b>Total property, plant and equipment</b>	<b>108,196</b>	<b>10,675,174</b>	<b>-</b>	<b>14,254,417</b>	<b>25,037,787</b>
Less accumulated depreciation	58,957	2,576,777	-	4,951,898	7,587,632
<b>Net property, plant and equipment</b>	<b>49,239</b>	<b>8,098,397</b>	<b>-</b>	<b>9,302,519</b>	<b>17,450,155</b>
Other assets	-	61,200	-	22,750	83,950
<b>TOTAL ASSETS</b>	<b>280,161</b>	<b>8,753,726</b>	<b>1,088</b>	<b>9,720,321</b>	<b>18,755,296</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	50,183	25,217	-	18,728	94,128
Accrued expenses	7,756	68,466	-	32,581	108,803
Internal balances	-	301,732	-	509,010	810,742
Current portion of bonds and notes payable	-	296,000	-	384,633	680,633
<b>Total current liabilities</b>	<b>57,939</b>	<b>691,415</b>	<b>-</b>	<b>944,952</b>	<b>1,694,306</b>
<b>Non-current liabilities</b>					
Compensated absences payable	-	42,152	-	48,015	90,167
Bonds and notes payable long term portion	-	5,174,000	-	4,559,204	9,733,204
<b>Total non-current liabilities</b>	<b>-</b>	<b>5,216,152</b>	<b>-</b>	<b>4,607,219</b>	<b>9,823,371</b>
<b>Total liabilities</b>	<b>57,939</b>	<b>5,907,567</b>	<b>-</b>	<b>5,552,171</b>	<b>11,517,677</b>
<b>Net Assets</b>					
Invested in Capital assets, net of related debt	49,239	2,628,397	-	4,363,187	7,040,823
Unrestricted	172,983	217,762	1,088	(195,037)	196,796
<b>Total Net Assets</b>	<b>\$ 222,222</b>	<b>\$ 2,846,159</b>	<b>\$ 1,088</b>	<b>\$ 4,168,150</b>	<b>\$ 7,237,619</b>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	Enterprise Funds				
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	Total
<b>Operating revenues</b>					
Assessments and user fees	\$ 326,090	\$ 837,943	\$ 35,740	\$ 981,457	\$ 2,181,230
Other revenues	-	209,841	960	7,063	217,864
<b>Total operating revenues</b>	<u>326,090</u>	<u>1,047,784</u>	<u>36,700</u>	<u>988,520</u>	<u>2,399,094</u>
<b>Operating expenses</b>					
Salaries and benefits	87,726	362,896	28,343	348,028	826,993
Materials and supplies	110,024	284,623	4,318	206,019	604,984
Depreciation and amortization	9,826	198,649	-	452,288	660,763
<b>Total operating expenses</b>	<u>207,576</u>	<u>846,168</u>	<u>32,661</u>	<u>1,006,335</u>	<u>2,092,740</u>
<b>Operating income (loss)</b>	<u>118,514</u>	<u>201,616</u>	<u>4,039</u>	<u>(17,815)</u>	<u>306,354</u>
<b>Non-operating revenues (expenses)</b>					
Interest income	-	3,420	-	-	3,420
Gain on sale of capital asset	-	350,611	-	-	350,611
Interest expense	-	(199,128)	-	(83,569)	(282,697)
Transfer-in from golf course	-	-	-	8,000	8,000
<b>Total non-operating (expenses)</b>	<u>-</u>	<u>154,903</u>	<u>-</u>	<u>(75,569)</u>	<u>79,334</u>
<b>Change in Net Assets</b>	<u>118,514</u>	<u>356,519</u>	<u>4,039</u>	<u>(93,384)</u>	<u>385,688</u>
<b>Total Net Assets - beginning</b>	<u>103,708</u>	<u>2,489,640</u>	<u>(2,951)</u>	<u>4,261,534</u>	<u>6,851,931</u>
<b>Total Net Assets - ending</b>	<u>\$ 222,222</u>	<u>\$ 2,846,159</u>	<u>\$ 1,088</u>	<u>\$ 4,168,150</u>	<u>\$ 7,237,619</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Cash Flows-Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	Enterprise Funds				Total
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 230,800	\$ 1,044,061	\$ 36,700	\$ 979,748	\$ 2,291,309
Cash payments to suppliers for goods and services	(73,679)	(296,140)	(4,318)	(186,714)	(560,851)
Cash payments to employees for services	(90,848)	(378,930)	(28,343)	(359,222)	(857,343)
<b>Net cash provided by (used for) operating activities</b>	<u>66,273</u>	<u>368,991</u>	<u>4,039</u>	<u>433,812</u>	<u>873,115</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition and construction of capital assets	(9,935)	(121,425)	-	-	(131,360)
Principal paid on bonds, notes and loans	-	(288,000)	-	(377,692)	(665,692)
Interest paid on bonds, notes and loans	-	(201,891)	-	(85,559)	(287,450)
<b>Net cash provided (used for) capital and related financing activities</b>	<u>(9,935)</u>	<u>(611,316)</u>	<u>-</u>	<u>(463,251)</u>	<u>(1,084,502)</u>
<b>Cash flows from non-capital financing activities</b>					
Interfund transfers	5,340	144,417	(4,039)	(10,175)	135,543
<b>Net cash provided by (used for) non-capital financing activities</b>	<u>5,340</u>	<u>144,417</u>	<u>(4,039)</u>	<u>(10,175)</u>	<u>135,543</u>
<b>Cash flows from investing activities</b>					
Gain on sale of capital asset	-	350,611	-	-	350,611
Interest on investments	-	3,420	-	-	3,420
<b>Net cash provided by (used for) investing activities</b>	<u>-</u>	<u>354,031</u>	<u>-</u>	<u>-</u>	<u>354,031</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>61,678</u>	<u>256,123</u>	<u>-</u>	<u>(39,614)</u>	<u>278,187</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>45,461</u>	<u>233,759</u>	<u>-</u>	<u>209,755</u>	<u>488,975</u>
<b>Cash, (cash overdrafts recorded as payables) and cash equivalents at end of year</b>	<u>\$ 107,139</u>	<u>\$ 489,882</u>	<u>\$ -</u>	<u>\$ 170,141</u>	<u>\$ 767,162</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>					
Operating income (Loss)	\$ 118,514	\$ 201,616	\$ 4,039	\$ (17,815)	\$ 306,354
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>					
Depreciation and amortization	9,826	198,649	-	452,288	660,763
<b>Changes in assets and liabilities:</b>					
(Increase) decrease in accounts receivable	(93,291)	(3,722)	-	(8,771)	(107,784)
(Increase) decrease in inventory	-	6,265	-	1,799	8,064
Increase (decrease) in accounts payable	33,031	(17,783)	-	17,506	32,754
Increase (decrease) in accrued expenses	193	(16,034)	-	(11,195)	(27,036)
<b>Total adjustments</b>	<u>(52,241)</u>	<u>167,375</u>	<u>-</u>	<u>451,627</u>	<u>566,761</u>
<b>Net cash provided by operating activities</b>	<u>\$ 66,273</u>	<u>\$ 368,991</u>	<u>\$ 4,039</u>	<u>\$ 433,812</u>	<u>\$ 873,115</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	Employee Retirement Plan	Private-purpose Trusts	Agency Funds
<b>ASSETS</b>			
Cash	\$ 593,247	\$ 145,182	\$ 31,526
<b>Receivables:</b>			
Accrued interest and dividends	44,659	-	-
Total receivables	44,659	-	-
Investments, at fair value:			
Government obligations	1,074,488	-	-
Domestic corporate bonds	2,792,543	-	193,826
Mutual funds	1,373,241	-	466,999
Equities	2,799,978	-	-
Total investments	8,040,250	-	660,825
<b>Total Assets</b>	8,678,156	145,182	692,351
<b>LIABILITIES</b>			
Deposits held in custody for others	-	-	692,351
Total liabilities	-	-	\$ 692,351
<b>NET ASSETS</b>			
Held in trust for pension benefits and other purposes	\$ 8,678,156	\$ 145,182	

*See auditor's report and accompanying notes to these financial statements*



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2012**

	<u>Employee Retirement Plan</u>	<u>Private-purpose Trusts</u>
<b>Additions</b>		
Contributions		
Employer	\$ 141,330	\$ -
Plan members	56,373	-
Total contributions	<u>197,703</u>	<u>-</u>
<b>Investment earnings</b>		
Net increase/(decrease) in fair value of investments	(168,317)	-
Interest and dividends	310,051	540
Total investment earnings	<u>141,734</u>	<u>540</u>
<b>Total additions</b>	<u>339,437</u>	<u>540</u>
<b>Deductions</b>		
Benefits paid	443,352	-
Scholarships	-	4,000
Plan cost	45,521	-
Total deductions	<u>488,873</u>	<u>4,000</u>
Change in net assets	(149,436)	(3,460)
Net assets beginning of year July 1, 2011	8,827,592	148,642
<b>Net assets end of year June 30, 2012</b>	<u>\$ 8,678,156</u>	<u>\$ 145,182</u>

*See auditor's report and accompanying notes to these financial statements*

## **Notes to Financial Statements**

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The financial statements of the Town of Jamestown, Rhode Island, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

***THE FINANCIAL REPORTING ENTITY***

The Town of Jamestown is a municipal corporation governed by a Town Council/Town Administrator form of government with an elected five-member Town Council.

The Town of Jamestown was founded in 1639, incorporated as a Town in 1678; it was first chartered on November 5, 1974 and amended in the years 1992, 2002 and 2009. The Town is governed largely under the State Legislative Group. In some matters, including the issuance of short and long-term debt, the general laws of the State of Rhode Island govern the Town. The Town provides the following services as authorized by the State Legislative Laws: public safety (police, fire, traffic safety, inspections, zoning and building), public works (highways and streets, harbors, engineering and building maintenance), recreation, education, social services, and general administrative services.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14. Under GASB Statement No. 14, the financial reporting entity includes both the primary government, which is the Town of Jamestown and all of its component units. Component units are legally separate entities that meet anyone of the following three tests:

Test 1 - The primary government appoints the voting majority of the board of the potential component unit and

\* is able to impose its will on the potential component unit and/or

\* is in a relationship of financial benefit or burden with the potential component unit,

Test 2 - The potential component unit is fiscally dependent upon the primary government; or

Test 3 - The financial statements would be misleading if data from the potential component unit were not included.

The following entities were considered for classification as component units for the fiscal year ended 2012:

- \* Jamestown School Department
- \* Jamestown Fire Department
- \* Jamestown Housing Authority

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Although the School Department meets certain criteria of the tests listed above, the School Department is not deemed to have separate legal status apart from the Town. As a result, the financial data of the School Department has been included as part of the Towns General Fund within the Town's financial statements.

The Town of Jamestown's financial statements do not include the Jamestown Fire Department or the Jamestown Housing Authority.

A description of these entities and the reasons for their exclusion from the reporting entity are summarized below:

The Jamestown Fire Department is located in a Town-owned building. The Department was organized to provide fire protection for the citizens of Jamestown. Although this relationship suggests that the Department might be part of the reporting entity, the following factors suggest that the Department should not be included in the reporting entity:

- The Department is responsible for its fiscal affairs including the funding of deficits and the disposition of surpluses.
- The Department's management is responsible for the day-to-day operations of the department.
- The management of the Department is accountable to a governing board, which is not accountable to Town administration.

The Housing Authority services only citizens of the Town of Jamestown with low income housing throughout Jamestown. Although this relationship might suggest that the Housing Authority should be part of the reporting entity, the following factors suggest that the authority should not be included in the reporting entity:

- The Housing Authority is exclusively responsible for its fiscal affairs including the funding of deficits and the disposition of surpluses.
- The Housing Authority's management is responsible for employment of personnel and for the day-to-day operations of the Authority.
- The management of the Housing Authority is accountable to the Housing Authority's governing board, which is not accountable to the Town administration or Town Council.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF PRESENTATION**

**Recently Issued Accounting Standards**

The Town implemented the following accounting pronouncements for the year ended June 30, 2012:

- GASB Statement No. 57 – OPEB Measurements by Agent Employers and Agent Multiple – Employer Plans
- GASB Statement No. 64 - Derivative Instruments: Application of Hedge Accounting Termination Provisions.

The adoption of this pronouncement did not have an effect on the Town’s financial statements.

***Government-Wide Financial Statements***

The statement of net assets and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for *fiduciary funds* (the activity of these funds are reported in the statements of fiduciary net assets and changes in fiduciary net assets). The government-wide financial statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

***Fund Financial Statements***

Fund financial statements of the reporting entity are organized into funds, each of which, is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- (a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and
- (b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government’s officials believe is particularly important to financial statement users (for example, because of public interest or consistency) may be reported as a major fund.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**GOVERNMENTAL FUND TYPES:**

These are the funds through which most governmental functions are typically financed. The funds included in this category are as follows:

**General Fund** - is used to account for resources devoted to financing the general services that the Town performs for its citizens. General tax revenues and other sources of revenues used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

**Special Revenue Funds** - are used to account for restricted or committed revenues that comprise a substantial portion of the *inflows* of a fund.

**Capital Projects Funds** - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust funds).

**PROPRIETARY FUND TYPES:**

These funds account for operations that are organized to be self-supporting through user charges. The funds included in this category are as follows:

**Enterprise Funds** - are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy management control, accountability, or other purposes.

**FIDUCIARY FUND TYPES:**

These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. *Fiduciary Fund types are not part of the reporting entity in the Government-wide financial statements.* These funds are as follows:

**Pension Trust Fund** - is established to provide pension benefits to Police employees. The principal revenue source for this fund is employer and employee contributions and investment income.

**Private Purpose Trust Funds and Agency Funds** - are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF ACCOUNTING**

***Measurement Focus – Government Wide Financial Statements***

In the government wide financial statements the Statement of Net Assets and Statement of Activities (governmental and business-type activities) are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

***Measurement Focus – Fund Financial Statements***

The accounting and financial reporting treatment applied to the *fund financial statements* is determined by its measurement focus. All Governmental Fund Types and Expendable Trust Funds are accounted for using a “current financial resources” measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary Fund Types, Private Purpose Trust Funds and Pension Trust Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (i.e., revenues) and decreases (i.e. expenses) in net assets.

All governmental fund types and agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Licenses and permits, charges for services, fines, forfeits, and miscellaneous revenue are recorded as revenues when received in cash. Those revenues susceptible to accrual are property taxes and investment earnings. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations, which are recognized when paid.

Non-current portions of long-term receivables of Governmental Fund Types are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate; however, that they should not be considered "available expendable resources" since they do not represent net current assets. Recognition of Governmental Fund Type revenues represented by non-current receivables is deferred until they become current receivables.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***BASIS OF ACCOUNTING (continued)***

Because of their spending measurement focus, expenditure recognition for Governmental Fund Types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as Governmental Fund Type expenditures or fund liabilities. They are instead reported as Long-term Liabilities – Governmental Activities.

In applying the "susceptible to accrual" concept to intergovernmental revenues the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. For one type, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded.

For the other type, revenues are virtually unrestricted as to purpose of expenditure and nearly irrevocable or revocable only for failure to comply with the prescribed requirements, such as a Community Development Block Grant. These resources are reflected as revenues at the time of receipt or earlier if they meet the "available" criteria.

All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

In accordance with Governmental Accounting Standards Board (GASB) Statement #20, the Town of Jamestown has elected to apply to all Proprietary Fund Types all applicable GASB Pronouncements, as well as the following pronouncements issued on or before November 30, 1989: FASB Statements and Interpretations, APB opinions and ARB's unless these pronouncements conflict with or contradict GASB pronouncements.

***Budgetary Data and Budgetary Compliance*** - In accordance with the Town's Charter, the Town has formally established budgetary accounting control for its General Fund, and School Capital Improvement Fund, which is a Capital Projects Fund. All of the above are subject to annual operating budgets recommended by the Town Council and adopted at the annual financial town meeting.

The annual operating budgets' appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund and School Capital Improvement Fund budgets are in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentations in the financial statements for these funds is reflected on both the GAAP and budgetary basis. The difference between the budgetary basis and the generally accepted accounting principles basis is explained further in the Notes to Required Supplementary Information on page 72.

Appropriations, which are not expended or encumbered, lapse at year-end. The Town had no additional appropriations during the year.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***BASIS OF ACCOUNTING (continued)***

***Cash and Cash Equivalents*** - For purposes of the Statement of Cash Flows, the Proprietary Fund Types consider all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent.

***Investments*** – Are Government Securities, Commercial Paper and various types of corporate stocks and bonds held in the Governmental or Fiduciary Fund Types, which are recorded at fair value. Fair value is determined by independent reporting agencies for all investments.

***Receivables*** - Accounts receivable are recorded in the General, Special Revenue and Enterprise Funds. Estimated unbilled and un-advanced billed revenue from the Water and Sewer funds are recognized (or deferred) at the end of the year. The town uses the direct write off method to account for bad debt.

Property taxes, which were levied on the first Monday of June of the current year and other delinquent balances, are recorded as receivables offset by deferred revenue accounts on the balance sheets.

***Inventories*** -Inventories are maintained on a perpetual system and are stated at cost (first in, first out method of inventory valuation) in the Enterprise Funds. Inventories are recorded as expenditures when consumed. All other funds consider the purchase of supplies and materials to be an expense when incurred.

***Other Assets*** - Other assets held are recorded and accounted for at cost.

***Pensions*** - The provision for pension cost is recorded on an accrual basis, and the Town's policy is to fund pension costs as they accrue.

***Capital Assets*** - In Governmental Fund type, operations are accounted for using the “current financial resources” measurement focus. Capital assets, which include property, plant and equipment, and infrastructure (e.g. road, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the historical costs of infrastructure assets (retroactive to January 1, 1979) are included as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The Town capitalizes certain interest costs in accordance with GASB Code Section 1400 as part of constructed assets. Interest is capitalized throughout the construction period in the Capital projects fund prior to the assets being transferred to the governmental fund and placed in service.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property, plant and equipment for Proprietary Fund Types are valued at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Property, plant and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Underground Piping	65 Years
Buildings & Infrastructure	25-65 Years
Other Improvements	15-30 Years
Land Improvements	10-65 Years
Machinery and Equipment	5-30 Years
Vehicles	5 Years

**Equity Classifications**

**Government-Wide Statements** - Equity is classified as net assets and displayed in three components:

- **Invested in capital assets, net of related debt** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net assets** - Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted net assets** - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**Governmental Fund Financial Statements** - The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. Listed below are the new fund balance categories and their definitions.

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
  - **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
  - **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
  - **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
  - **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.
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**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Town has set classification policies and procedures for the above noted level of fund balance reporting.

- a) For committed fund balances: the Town Council is the highest level of decision making authority.
- b) For assigned fund balance: Town management has decision making authority, with approval from the Town council.
- c) The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and considers committed amounts to have been spent when and expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

**Revenues, Expenditures and Expenses** - Revenues for Governmental Fund Types are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for Governmental Fund Types are recorded when the related liability is incurred. The Town will make use of any available restricted resources first versus unrestricted when determining expendable funds, when both are available. Revenues and expenses of Proprietary Fund Types are recognized using the full accrual basis of accounting. Revenue is recognized as earned and expenses as incurred. Operating revenues are defined as those revenues generated from fees and assessments all others are deemed non-operating.

**Property Taxes** - The Town is permitted by State law to levy property taxes. Current tax collections for the Town were approximately 98 % of the total 2011-2012 levy. The Town Council establishes the tax rate for the Town and it is then voted on at the annual Financial Town Meeting.

The Town's 2012 property taxes were levied on the first Monday of June 2011 on assessed valuations as of December 31, 2010. Upon levy, taxes are billed quarterly and are due in September, December, March and June. Failure to make payments by due dates will result interest being charged on the unpaid balance. Failure to pay taxes owed will result in the sale of the property for taxes, interest and legal fees.

**Vacation, Sick Leave, and Other Compensated Absences** - Under the terms of various contracts and agreements, Town and School employees are granted vacation and sick leave in varying amounts based on length of service. Accumulated vacation and vested sick leave is to be paid with available expendable financial resources from the Governmental Fund Types and are recorded as a liability in the appropriate fund. For Proprietary Fund Types accrued vacation and sick leave is recorded as a liability within those funds.

**Inter-fund Transactions** - Quasi-external transactions are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements to a fund for expenditures or expenses initially made from it, which are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

All interfund transactions except advances, quasi-external transactions and reimbursements are accounted for as transfers. Nonrecurring or non-routine transfers of equity between funds are considered equity transfers. All other interfund transactions are treated as operating transfers. The Towns policy is to eliminate inter-fund liabilities when assets become available or through approved equity transfers. In the Government-Wide financial statements these inter-fund balances are eliminated so not to “gross up” the assets and liabilities of the primary government.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Revenues** - Represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years. Deferred revenue includes property tax revenues due at fiscal year-end, which has not been collected within sixty days following the end of the Town's fiscal year.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and the differences could be material.

**NOTE 2- STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Legal Debt Limit** - The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$60,169,529. As of June 30, 2012, the Town's debt was under the debt limit by \$50,834,029. The long-term debt reported in the Water and Sewer Funds are exempt from the three percent limitation.

**Deposits With Financial Institutions** - Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturity's greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposit, regardless of maturity. There were no violations of the requirements noted in the year. At June 30, 2012 the Town's uncollateralized deposits with an institution are \$1,869,391.

**NOTE 3 – CASH AND INVESTMENTS**

**Deposits:** The Town maintains deposits in various financial institutions that are carried at cost except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and Cash Equivalents".

**Investments:** Investment of all idle funds shall be made through national banks or trust companies, providing that the financial conditions and integrity of said institution or institutions are verifiable and can be monitored. The investment of funds shall be in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution shall not exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements. All investments will be made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital.

**Interest Rate Risk:** The Town limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools.

**Concentrations:** The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 3 – CASH AND INVESTMENTS (continued)**

**Custodial Credit Risk**

*Deposits:* This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2012, \$1,869,391 of the Town's bank balance of \$9,513,812 was uninsured and uncollateralized.

*Investments:* This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash and investments of the Town consist of the following at June 30, 2012

***Cash and Cash Equivalents***

Deposits with financial institutions	\$ 10,283,767
--------------------------------------	---------------

***Investments***

Mutual Funds	1,840,240
Equities	2,799,978
Government Bonds	1,074,488
Domestic Corporate Bonds & Fixed Income	<u>2,986,369</u>
Total Pension Investments	<u>8,701,075</u>
<b><i>Total Cash and Investments</i></b>	<b><u><u>\$ 18,984,842</u></u></b>

Cash and investments are classified in the accompanying financial statements as follows:

***Statement of Net Assets***

Cash and cash equivalents	\$ 9,513,812
---------------------------	--------------

***Fiduciary Funds***

Cash	769,955
Investments	<u>8,701,075</u>
	<u>9,471,030</u>
<b><i>Total Cash and Investments</i></b>	<b><u><u>\$ 18,984,842</u></u></b>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 3 – CASH AND INVESTMENTS (continued)**

*Interest Rate Risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the town’s debt type investments to this risk using the segment time distribution model is as follows:

Type of Investment	Investment Maturities (in Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Government Securities	\$ 1,074,488	-	\$ 110,498	\$ 506,066	\$ 457,924
Corporate Bonds	2,792,543	589,727	587,695	1,615,121	-
Total	\$ 3,867,031	\$ 589,727	\$ 698,193	\$ 2,121,187	\$ 457,924

*Credit Risk:* Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Average Rating	Bonds
Aaa	\$ 135,725
Aa1	227,396
Aa2	379,527
Aa3	430,763
A1	449,140
A2	594,781
A3	760,419
Ba1	51,842
Baa1	390,207
	\$ 3,419,800

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 4 – PROPERTY TAXES**

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling State legislation. Under the “current financial resources” measurement focus (fund accounting) property tax revenue is recognized in accordance with Section P70, “Property Taxes” of the *Codification of Government Accounting and Reporting Standards*, which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. In the government-wide financial statements revenue is recognized when earned (billed). The Town uses the direct write off method for un-collectable property taxes and follows state law when to write off the balance.

**NOTE 5 – INTERFUND RECEIVABLES**

The Town, in the ordinary course of business will transfer monies to various funds in order to meet current expenditures. The amounts are recorded as inter-fund balances. These amounts are expected to be repaid only when the receiving fund has sufficient available funds. These balances are eliminated on the government wide financial statements.

Interfund receivable and payable balances at June 30, 2012 are as follows:

	Due From Other Funds	Due To Other Funds
<b>General Fund:</b>		
Total General Fund	\$ 5,950,394	\$ 6,412,066
<b>Special Revenue Funds:</b>		
Total Special Revenue Funds	1,145,876	188,407
<b>Capital Project Funds:</b>		
Town Capital Project Funds	1,296,699	1,335,591
School Capital Improvement	327,998	-
Total Capital Project Funds	1,624,697	1,335,591
<b>Enterprise Funds:</b>		
Harbor Management Fund	24,751	-
Water Fund	-	301,732
On-site Wastewater Fund	1,088	-
Sewer Fund	-	509,010
Total Enterprise Funds	25,839	810,742
<b>TOTALS</b>	\$ 8,746,806	\$ 8,746,806

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 6. INFORMATION ABOUT CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2012 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land and improvements	\$ 3,318,316	\$ -	\$ -	\$ 3,318,316
Development Rights	3,500,000	-	-	3,500,000
Construction in Progress	-	20,975	-	20,975
Total capital assets not being depreciated	6,818,316	20,975	-	6,839,291
Other capital assets:				
Buildings and improvements	15,464,993	575,779	-	16,040,772
Infrastructure	9,925,422	389,077	-	10,314,499
Machinery, equipment and furniture	4,754,013	493,174	204,951	5,042,236
Total other capital assets at historical cost	30,144,428	1,458,030	204,951	31,397,507
Less accumulated depreciation for:				
Buildings and improvements	7,430,538	462,749	-	7,893,287
Infrastructure	5,570,835	369,245	-	5,940,080
Machinery, equipment and furniture	3,439,504	278,926	204,951	3,513,479
Total accumulated depreciation	16,440,877	1,110,920	204,951	17,346,846
Governmental activities capital assets, net	\$ 20,521,867	\$ 368,085	\$ -	\$ 20,889,952

Depreciation expense was charged to functions as follows:

<b>Governmental activities:</b>	
Public safety	\$ 266,659
Public works	394,399
Parks and recreation	16,787
Public education	206,232
Other	226,843
Total governmental activities depreciation expense	\$ 1,110,920



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 6. INFORMATION ABOUT CAPITAL ASSETS (continued)**

Capital asset activity for the fiscal year ended June 30, 2012 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Total capital assets not being depreciated	55,200	-	-	55,200
Other capital assets:				
Plant facilities	22,489,926	-	-	22,489,926
Mains, wells, pumps and hydrants	2,017,813	109,896	-	2,127,709
Equipment and machinery	343,488	21,464	-	364,952
Total other capital assets at historical cost	24,851,227	131,360	-	24,982,587
Less accumulated depreciation for:				
Plant facilities	4,945,495	593,718	-	5,539,213
Mains, wells, pumps and hydrants	1,721,891	48,545	-	1,770,436
Equipment and machinery	264,932	13,051	-	277,983
Total accumulated depreciation	6,932,318	655,314	-	7,587,632
Business-type activities capital assets, net	\$ 17,974,109	\$ (523,954)	\$ -	\$ 17,450,155

Depreciation expense was charged to functions as follows:

<b>Business-type activities:</b>	
Water Fund	\$ 194,826
Harbor Fund	9,826
Sewer Fund	450,662
Total business-type activities depreciation expense	\$ 655,314

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2012**

**NOTE 7: DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS.**

"Total fund balances" of the town's governmental funds (\$8,178,512) differs from "net assets" of governmental activities (\$18,595,897) reported in the statement of net assets. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

**Balance Sheet/Statement of Net Assets**

	<b>Total Governmental Funds</b>	<b>Long-term Assets/ Liabilities (1)</b>	<b>Reclassifications and Eliminations</b>	<b>Statement Net Assets Totals</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 8,746,650	\$ -	\$ -	\$ 8,746,650
<b>Accounts receivable:</b>				
Accounts receivable net	389,045	-	-	389,045
Due from other governments	126,525	-	-	126,525
Other receivables	123,839	-	-	123,839
Internal balances	8,720,967	-	(7,936,064)	784,903
Other Assets - net	57,032	1,027,212	-	1,084,244
Capital assets - net	-	20,889,952	-	20,889,952
<b>Total assets</b>	<b>18,164,058</b>	<b>21,917,164</b>	<b>(7,936,064)</b>	<b>32,145,158</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	638,193	-	-	638,193
Accrued expenses	811,471	109,965	-	921,436
Internal balances	7,936,064	-	(7,936,064)	-
Deferred revenue	599,818	(215,702)	-	384,116
Long-term liabilities				
Due within one year	-	660,000	-	660,000
Due in more than one year	-	10,945,516	-	10,945,516
<b>Total liabilities</b>	<b>9,985,546</b>	<b>11,499,779</b>	<b>(7,936,064)</b>	<b>13,549,261</b>
<b>Fund Balances/Net Assets</b>				
Total fund balances/net assets	8,178,512	10,417,385	-	18,595,897
Total liabilities and fund balances/net assets	<b>\$ 18,164,058</b>	<b>\$ 21,917,164</b>	<b>\$ (7,936,064)</b>	<b>\$ 32,145,158</b>

(1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the town as a whole.

Cost of capital assets	\$ 38,236,798
Accumulated depreciation	(17,346,846)
	<b>\$ 20,889,952</b>

Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance.

Accrued interest	\$ (37,047)
Adjustment of deferred revenue	215,702
	<b>\$ 178,655</b>

Long-term liabilities applicable to the town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net assets.

Bonds & notes payable	\$ 9,335,500
Bond premium	72,918
Bond issuance cost	(47,972)
Accrued compensated absences	681,384
Net OPEB obligation	1,588,632
Net Pension Benefit	(979,240)
	<b>\$ 10,651,222</b>

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 8: DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES.**

The "net change in the fund balances" for governmental funds (\$248,999) differs from the "change in net assets" for governmental activities (\$1,313,347) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

**Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities**

	Total Governmental Funds	Long-term Revenues/ Expenses (1)	Capital- related Items (2)	Long-term Debt Transactions (3)	Statement of Activities Totals
<b>Revenues</b>					
General property tax	\$ 18,065,154	\$ 114,889	\$ -	-	\$ 18,180,043
Intergovernmental and departmental revenues	3,444,847	-	-	-	3,444,847
Federal revenue - State fiscal stabilization	23,794	-	-	-	23,794
License and permits	858,933	-	-	-	858,933
Fines and penalties	130,817	-	-	-	130,817
Interest on investments	27,601	-	-	-	27,601
Other revenues	679,290	-	-	4,410	683,700
<b>Total revenues</b>	<u>23,230,436</u>	<u>114,889</u>	<u>-</u>	<u>4,410</u>	<u>23,349,735</u>
<b>Expenditures</b>					
Current:					
Legislative, judicial and general administrative	1,947,278	-	-	96,391	2,043,669
Financial administration and tax assessor	299,135	-	-	-	299,135
Public safety	2,160,815	-	266,659	-	2,427,474
Public works	1,558,042	-	394,399	-	1,952,441
Public welfare	3,964	-	-	-	3,964
Public health	279,296	-	-	-	279,296
Tree warden	34,879	-	-	-	34,879
Library	357,584	-	-	-	357,584
Parks & recreation	464,836	-	16,787	-	481,623
Other	1,070,248	-	226,843	-	1,297,091
Education	12,248,060	-	206,232	-	12,454,292
Capital outlay	1,479,005	-	(1,479,005)	-	-
<b>Debt service:</b>					
Principal	665,000	-	-	(665,000)	-
Interest	405,295	(8,355)	-	-	396,940
	<u>22,973,437</u>	<u>(8,355)</u>	<u>(368,085)</u>	<u>(568,609)</u>	<u>22,028,388</u>
<b>Total expenditures</b>					
<b>Other financing uses/changes in net assets</b>	(8,000)	-	-	-	(8,000)
Transfers in/(out)	248,999	-	-	-	248,999
Net change for the year	<u>\$ 123,244</u>	<u>\$ 368,085</u>	<u>\$ 573,019</u>	<u>\$ -</u>	<u>\$ 1,313,347</u>

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 8: DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES.** *(continued)*

(1) Because some property taxes will not be collected for several months after the town's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Also, non-monetary transaction such as Town acquisition of tax sale properties are not recorded on the fund statements but are recorded in the statement of activities.

Property taxes	\$ 114,889
	\$ 114,889

Interest expense in the statement of activities differs from the amount reported in the governmental funds because interest payments are recognized as an expenditure when paid in the governmental funds while in the statement of activities they are recognized when accrued.

Accrued interest	8,355
	\$ 8,355

(2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	\$ 1,479,005
Depreciation expense	(1,110,920)
	\$ 368,085

(3) Repayment of bond principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. Cost associated with the refinancing of debt are expensed in the fund financials but are long-term assets and liabilities in the statement of activities

Amortization bond premium	\$ 4,410
Amortization bond cost	(4,684)
Principal payments made	665,000
	\$ 664,726

Certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.

Net decrease in compensated absences	\$ 60,597
Increase in the OPEB obligation	(59,857)
Net increase in the net pension obligation	(92,447)
Change	\$ (91,707)

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 9 INFORMATION ABOUT LONG-TERM LIABILITIES**

The town reports a long-term liability of the primary government in either governmental type activities or business type activities.

Long-term liability activity for the fiscal year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Additions	Retirements	Balance June 30, 2012	Amounts Due within One Year
<b>Governmental Activities</b>					
Bonds & Notes Payable	\$ 10,000,500	\$ -	\$ 665,000	\$ 9,335,500	\$ 660,000
Total bonds payable	<u>10,000,500</u>	<u>-</u>	<u>665,000</u>	<u>9,335,500</u>	<u>660,000</u>
Other liabilities:					
Accrued compensated absences	741,981	42,508	103,105	681,384	-
Net OPEB Obligation	1,528,775	59,857	-	1,588,632	-
Net Pension Benefit	(1,071,687)	92,447	-	(979,240)	-
Total other liabilities	<u>1,199,069</u>	<u>194,812</u>	<u>103,105</u>	<u>1,290,776</u>	<u>-</u>
Governmental Activities long-term liabilities	<u>\$ 11,199,569</u>	<u>\$ 194,812</u>	<u>\$ 768,105</u>	<u>\$ 10,626,276</u>	<u>\$ 660,000</u>
<b>Business-Type Activities</b>					
Water Department bonds payable	\$ 240,000	\$ -	\$ 45,000	\$ 195,000	\$ 45,000
Sewer Department bonds payable	50,000	-	5,000	45,000	5,000
Total bonds payable	<u>290,000</u>	<u>-</u>	<u>50,000</u>	<u>240,000</u>	<u>50,000</u>
Water Department notes payable	5,518,000	-	243,000	5,275,000	251,000
Sewer Department notes payable	5,271,529	-	372,692	4,898,837	379,634
Total notes payable	<u>10,789,529</u>	<u>-</u>	<u>615,692</u>	<u>10,173,837</u>	<u>630,634</u>
Total enterprise funds	<u>\$ 11,079,529</u>	<u>\$ -</u>	<u>\$ 665,692</u>	<u>\$ 10,413,837</u>	<u>\$ 680,634</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds and notes payable	2.75% - 5.00%	\$ 9,335,500	2013-2033
Enterprise Funds bonds and notes payable	1.022% - 5.00%	10,413,837	2013-2028
<b>Total All Funds</b>		<u>\$ 19,749,337</u>	

The Town is not obligated in any way for special assessment debt. Neither is there any outstanding special assessment debt.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 9. INFORMATION ABOUT LONG-TERM LIABILITIES (continued)**

The debt service through maturity for the Governmental bonds and notes are as follows:

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	660,000	384,008	1,044,008
2014	675,000	358,884	1,033,884
2015	625,000	334,158	959,158
2016	635,000	309,914	944,914
2017	645,000	279,214	924,214
2018	655,000	247,967	902,967
2019	665,000	216,013	881,013
2020	665,000	189,723	854,723
2021	665,500	162,832	828,332
Thereafter	<u>3,445,000</u>	<u>719,616</u>	<u>4,164,616</u>
<b>TOTALS</b>	<b><u>\$ 9,335,500</u></b>	<b><u>\$ 3,202,329</u></b>	<b><u>\$ 12,537,829</u></b>

The debt service through maturity for the Enterprise bonds and notes are as follows:

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	680,634	271,163	951,797
2014	700,749	254,313	955,062
2015	718,047	236,782	954,829
2016	733,531	218,728	952,259
2017	702,205	201,105	903,310
2018	719,074	183,888	902,962
2019	738,143	166,083	904,226
2020	757,418	147,666	905,084
2021	776,904	128,664	905,568
Thereafter	<u>3,887,132</u>	<u>395,499</u>	<u>4,282,631</u>
<b>TOTALS</b>	<b><u>\$ 10,413,837</u></b>	<b><u>\$ 2,203,891</u></b>	<b><u>\$ 12,617,728</u></b>

*Note: The schedule above shows the anticipate debt service schedules for undrawn funds as well.*

**Accrued Compensated Absences** - Town employees receive vested rights to paid vacation, sick time and compensatory time at the end of their first year of full-time employment with no pro rata payment if employment is terminated before the completion of a full year of service. An expenditure/expense is recognized each month as benefits are used, consistent with the standards established by GASB 16.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

The Town of Jamestown participates in the Municipal Employees' Retirement System of the State of Rhode Island ("System"), an agent multiple employer defined benefit plan. The System includes a normal plan for general employees and both a normal and optional plan for police personnel. All full-time Town and non-certified School Department general employees participate in the System. The System issues a publicly available financial report that includes financial statements and required supplementary information for the Town. The financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at [www.ersri.org](http://www.ersri.org).

**Legislative Changes**

In November 2011, the State enacted The Rhode Island Retirement Security Act of 2011 (the Act), as described in S1111A and H6319A. The Act makes broad changes to ERSRI effective July 1, 2012. The most significant changes include:

- Changing the structure of the retirement program from a traditional defined benefit plan to a hybrid plan designed with a smaller defined benefit plan and a supplemental defined contribution plan.
- Changing the automatic COLA to a formula contingent on the actual investment performance over time.
- Suspension/reduction of the COLA during times when the funded ratio is lower than targeted 80% levels. This is applied by individual MERS unit.
- Re-amortization of the significantly reduced Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19 year schedule as of June 30, 2010.
- Public Safety personnel not covered by Social Security will participate in additional defined contribution allocations equal to 3% member plus 3% employer.

Included within the significant changes noted above, there are certain rules for transitioning from the prior defined benefit structure to the smaller defined benefit plan going forward. Most notably:

- The accumulated benefit multiplier as of June 30, 2012 will be preserved and any changes to accruals will only be made prospectively.
- The final average compensation as calculated on June 30, 2012 will be preserved and any changes to the definition of salary or to the averaging period will not impact the final average compensation used to determine the retirement benefit until after the new calculation is greater than the preserved calculation.
- The calculated accrued benefit as of June 30, 2012 using the accumulated benefit multiplier as of that date and the final average compensation as of that date can be commenced on the date the member would have reached retirement eligibility prior to the Act if the member retires on that retirement date.
- Any past post-retirement benefit adjustments that have been given will be preserved. Only future adjustments will be modified and/or suspended.
- All members currently eligible to retire will retain the ability to retire in accordance with the provisions prior to the Act.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND** *(continued)*

- Current municipal employees who have five years of service as of June 30, 2012 will have a new retirement age delayed in proportion to the amount of service they have earned as of June 30, 2012 and to their current expected retirement age, but not less than age 59. In no circumstance will the retirement age of the member reduce from the retirement age prior to the Act.
- Current Public Safety personnel who are age 45 with ten years of service as of June 30, 2012, and had a retirement age prior to the Act based on continued service prior to age 52, will have unreduced retirement eligibility at age 52.
- A plan that has had four consecutive benefit adjustments suspended due to the 80% funding criteria will be eligible to receive an adjustment in the fifth year regardless of the funding level.

The changes to the defined benefit plan instituted by the Act have been fully reflected in this actuarial valuation as of June 30, 2012 as the contribution rates from this valuation will be applicable after the new provisions are effective. As noted above for further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at [www.ersri.org](http://www.ersri.org).

Eligibility: General employees, police officers and firefighters employed by electing municipalities participate in MERS. Teachers and administrators are covered by the separate Employees' Retirement System of Rhode Island, but other school employees may be covered by MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be classified as such by the municipality, in which case the special contribution and benefit provisions described below will apply to them, or they may be classified as general employees with no special benefits. Members designated as police officers and/or firefighters are treated as belonging to a separate unit from the general employees, with separate contribution rates applicable.

Employee Contributions: General employees contribute 7.00% of their salary per year, and police officers and firefighters contribute 7.00%. In addition, if the municipality has elected one of the optional cost-of-living provisions, an additional member contribution of 1.00% of salary is required. If a municipality elects the optional 20-year retirement provision for its police officers and/or its firefighters, an additional contribution of 1.00% of salary will be required from these members. The municipality, at its election, may choose to "pick up" the members' contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h).

Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.

Employer Contributions: Each participating unit's contribution rate is determined actuarially. Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation.

Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods by making an additional contribution to purchase the additional service. Special rules and limits govern the purchase of additional service and the contribution required.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND** *(continued)*

Final Average Compensation (FAC): Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the highest three consecutive annual salaries. Effective July 1, 2012, the average of the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the member's highest three year FAC as of July 1, 2012 or the five year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

**Retirement Benefits**

General employees: Eligibility

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described in Section (e) below, and the retirement age applicable to members hired after June 30, 2012 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service.
- Members designated as police officers or firefighters may retire at or after age 55 with credit for at least 10 years of service, or at any age with credit for 25 or more years of service. Members may retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elects to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member may retire at any age with 20 or more years of service.

General employees: Monthly Benefit:

- For service prior to July 1, 2012, 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). For service after July 1, 2012, 1.00% of the member's monthly FAC for each year of service.

Police and Fire employees: Eligibility

- Members are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. Members with at least 10 years of service, had achieved age 45, and had a retirement age prior to age 52 as of June 30, 2012 may retire at age 52.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND** *(continued)*

**Retirement Benefits**

Police and Fire employees: Monthly Benefit

- 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012 and the member has attained 20 years of service, the benefit is 2.50% of the member's monthly FAC for each year of service prior to July 1, 2012.

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2007	7,252,617	9,938,439	2,685,822	73%	2,908,901	92%
2008	8,201,795	10,434,577	2,232,782	79%	3,261,883	68%
2009	8,736,704	11,355,851	2,619,147	77%	3,297,840	79%
2010	9,142,102	13,648,019	4,505,917	67%	3,392,703	133%
2011	9,687,047	11,921,739	2,234,692	81%	3,344,190	67%
2012	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*

\*Unavailable at time of report

**Actuarial Methods and Assumptions**

The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation date	June 30, 2011
Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level Percent of Payroll – Closed 30-yr period
Remaining amortization period	17 Years
Asset valuation method	5 Year Smoothed Market

Actuarial assumptions:	
Investment rate of return	7.50%, Compounded Annually
Projected salary increases	4.00-8.00%
Cost-of-living adjustments	2.75%
Inflation Rate	2.75% Annually
Post Retirement Benefit Increases	2.00% Of Original Retirement Benefit

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND** *(continued)*

**Annual Pension Cost** - For 2012, the Town contributed \$ 408,707 to the states MERS plan. The required contribution was determined as part of the June 30, 2009 actuarial valuation using the entry age normal cost method with frozen initial liability. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 30-year period.

Required contributions:

<u>Fiscal Years Ending</u>	<u>Annual Required Pension Cost</u>	<u>Percentage Contributed</u>
June 30, 2010	412,158	100%
June 30, 2011	442,413	100%
June 30, 2012	408,707	100%

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

All Town of Jamestown, Rhode Island certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("System"), a cost-sharing multiple-employer public employee retirement system. The System issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at [www.ersri.org](http://www.ersri.org).

**Legislative Changes**

In November 2011, the State enacted The Rhode Island Retirement Security Act of 2011 (the Act), as described in S1111A and H6319A. The Act makes broad changes to ERSRI effective July 1, 2012. The most significant changes include:

- Changing the structure of the retirement program from a traditional defined benefit plan to a hybrid plan designed with a smaller defined benefit plan and a supplemental defined contribution plan.
- Changing the automatic COLA from a CPI related formula to a formula contingent on the actual investment performance over time.
- Suspension/reduction of the COLA during times when the funded ratio is lower than targeted 80% levels. State employees, teachers, BHDDH nurses, correctional officers, judges (including pay as you go), and state police (including pay as you go) will be aggregated to determine if the 80% requirement has been reached.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

- Re-amortization of the significantly reduced Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19 year schedule as of June 30, 2010.
- Teachers and Public Safety personnel not covered by Social Security (except State Police) will participate in additional defined contribution allocations equal to 2% member plus 2% employer for Teachers and 3% member plus 3% employer for Public Safety.

Included within the significant changes noted above, there are certain rules for transitioning from the prior defined benefit structure to the smaller defined benefit plan going forward. Most notably:

- The accumulated benefit multiplier as of June 30, 2012 will be preserved and any changes to accruals will only be made prospectively.
- The final average compensation as calculated on June 30, 2012 will be preserved and any changes to the definition of salary or to the averaging period will not impact the final average compensation used to determine the retirement benefit until after the new calculation is greater than the preserved calculation.
- The calculated accrued benefit as of June 30, 2012 using the accumulated benefit multiplier as of that date and the final average compensation as of that date can be commenced on the date the member would have reached retirement eligibility prior to the Act if the member retires on that retirement date.
- Any past post-retirement benefit adjustments that have been given will be preserved. Only future adjustments will be modified and/or suspended.
- All members currently eligible to retire will retain the ability to retire in accordance with the provisions prior to the Act.
- Current State Employees and Teachers who have five years of service as of June 30, 2012 will have a new retirement age delayed in proportion to the amount of service they have earned as of June 30, 2012 and to their current expected retirement age, but not less than age 59. In no circumstance will the retirement age of the member reduce from the retirement age prior to the Act.
- Current Public Safety personnel who are age 45 with ten years of service as of June 30, 2012, and had a retirement age prior to the Act based on continued service prior to age 52, will have unreduced retirement eligibility at age 52.
- A plan that has had four consecutive benefit adjustments suspended due to the 80% funding criteria will be eligible to receive an adjustment in the fifth year regardless of the funding level.

The changes to the defined benefit plan instituted by the Act have been fully reflected in this actuarial valuation as of June 30, 2012 as the contribution rates from this valuation will be applicable after the new provisions are effective. As noted above for further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at [www.ersri.org](http://www.ersri.org).

Plan Year: A twelve-month period ending June 30th.

Administration: ERSRI is administered by the State of Rhode Island Retirement Board. However, the State Treasurer is responsible for the investment of the trust assets, including the establishment of the asset allocation policy.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

Type of Plan: ERSRI is a qualified governmental defined benefit retirement plan. Separate contribution rates are determined for state employees and for teachers. For Governmental Accounting Standards Board purposes, it is a cost-sharing multiple employer plan.

Eligibility: Most Rhode Island state employees and certified public school teachers participate in ERSRI. Certain employees of the Airport Corporation, the Economic Development Corporation, and the Narragansett Bay Commission participate in the plan as though they were state employees. State police officers, state judges, and teachers and administrators in the public colleges and universities are covered by their own separate systems, and are therefore excluded. Certain elected state officials are excluded unless they make an election to join ERSRI. Superintendents, principals, business agents and other administrators participate as teachers. Non-certified public school employees, such as teacher's aides, janitors, secretaries, and bus drivers, cannot participate in ERSRI, although they may be covered by the Municipal Employees Retirement System (MERS) or a separate plan maintained by the town or city. Eligible employees become members as of their date of employment.

Employee Contributions: State Employees generally contribute 8.75% of their salary per year. Teachers contribute 9.50% per year. The state "picks up" the members' contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h). At their option, the city or town employing a Teacher may also pick up their members' contributions.

Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.

Employer Contributions: For Teachers, the state contributes 40% of the employer contribution rate and the city, town or other local employer contributes the remaining 60%. (This basic 40-60 split is further adjusted, since the State bears the cost of repaying certain amounts taken from the trust in the early 1990's.) Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation. In fiscal years beginning after June 30, 2005, if the State's contribution on behalf of State Employees decreases, the State shall appropriate an additional amount to the retirement trust. Such amount shall be equal to 20% of any decrease in expected contributions.

Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods, such as time spent teaching at a public school in another state, by making an additional contribution to purchase the additional service and those costs will be determined at full actuarial value, except for purchases of military service and redeposits of previously refunded contributions. Special rules and limits govern the purchase of additional service and the contribution required.

Final Average Compensation (FAC): For members eligible to retire as of September 30, 2009, their Final Average Compensation (FAC) will be based on the highest three consecutive annual salaries. For members not eligible to retire as of September 30, 2009, their FAC will be based on the highest five consecutive years of salary. Monthly benefits are based on one-twelfth of this amount.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

**Retirement Benefits**

Eligibility: As of July 1, 2012, retirement eligibility dates will be as follows.

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's Article 7 Retirement Date, described in Section 11(c) below, and the retirement age applicable to members hired after June 30, 2012 in (i) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's Article 7 Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their Article 7 Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Nurses (RNs) employed by MHRH are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. If the Article 7 Retirement Date was prior to June 30, 2012, they retain that eligibility date.
- Correctional officers are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. If the Article 7 Retirement Date was prior to June 30, 2012, they retain that eligibility date. Correctional officers who do not work for 25 years will not receive their pension benefit until they reach their Social Security normal retirement age.

Article 7 Retirement Date (member's retirement date as of September 30, 2009):

- Grandfathered Schedule A members—members with at least 10 years of contributory service at June 30, 2005 and eligible for retirement at September 30, 2009—are eligible to retire on or after age 60 if they have credit for 10 years of service, or at any age if they have credit for 28 years of service.
- Correctional officers who have reached age 50 and have credit for 20 years of service as of September 30, 2009 are eligible to retire and are grandfathered.
- Nurses (RNs) employed by MHRH who have reached age 50 with 25 years of service by September 30, 2009 are eligible to retire and are grandfathered.
- Schedule B members—members with less than 10 years of contributory service as of June 30, 2005 and members hired on or after that date—are eligible for retirement on or after age 65 if they have credit for 10 years of service, or on or after age 62 if they have credit for 29 years of service. In addition, a member who attains age 62 with at least 20 years of service credit may retire with an actuarially reduced retirement benefit. The reduction is based on the difference between 65 and the member's age at retirement.
- Correctional officers who are hired after September 30, 2009 become eligible to retire when they have reach age 55 and have credit for 25 years of service.
- Nurses (RNs) employed by MHRH who are hired after September 30, 2009 become eligible when they have reach age 55 and have credit for 25 years of service.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

**Retirement Benefits**

- Schedule A members who are not grandfathered, i.e., members who had at least 10 years of creditable service at June 30, 2005 but who were not eligible to retire on September 30, 2009, will be eligible for retirement at an individually determined age. This age is the result of interpolating between the retirement age under the rules applicable to grandfathered employees in (i) above and the retirement age applicable to members hired after September 30, 2009 in (iv) above. The interpolation is based on service as of September 30, 2009 divided by projected service at the retirement age under (i) above.
- Correctional officers hired on or before September 30, 2009 who are not eligible for retirement at that date will have an individually determined retirement age. This age is the result of interpolating between the retirement age for grandfathered employees in (ii) above and the retirement age applicable to members hired after September 30, 2009 in (v) above.
- Similarly, MHRH nurses (RNs) hired on or before September 30, 2009 who are not eligible to retire at that date will have an individually determined retirement age. This age is the result of interpolating between the retirement age for grandfathered employees in (iii) above and the retirement age applicable to members hired after September 30, 2009 in (vi) above.

Monthly Benefit: Upon retirement, members are eligible to commence a benefit determined as the sum of:

- Benefit accrual of 1.0% per year for all service after June 30, 2012, and
- Benefit accruals earned as of June 30, 2012, described in Section (d), below.

For purposes of calculating benefit accruals for service after June 30, 2012, the FAC is determined through retirement. Additionally, Correctional Officers who have completed 25 years of service on or before June 30, 2012 will continue to receive the benefit accrual rate under previous law for years 31 through 35 of service.

Benefit accruals earned as of June 30, 2012: The retirement benefit is a percentage of the member's monthly FAC. This percentage is a function of the member's service as described below. For purposes of determining the benefit accruals earned as of June 30, 2012, the service and FAC are frozen as of June 30, 2012.

- For grandfathered Schedule A members (members with at least 10 years of contributory service at June 30, 2005 and eligible for retirement at September 30, 2009), benefits are based under this schedule (Schedule A):

For Service In:	Years	Benefit Percentage Earned
The first 10 years of service	1 – 10	1.7% per year
The next 10 years of service	11 – 20	1.9% per year
The next 14 years of service	21 – 34	3.0% per year
The next 1 year of service	35	2.0% per year

The maximum benefit is 80% of FAC.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

- For Schedule B members (members with less than 10 years of contributory service as of June 30, 2005) and for all future hires, benefits are based on the following schedule (Schedule B):

For Service In:	Years	Benefit Percentage Earned
The first 10 years of service	1 – 10	1.6% per year
The next 10 years of service	11 – 20	1.8% per year
The next 5 years of service	21 – 25	2.0% per year
The next 5 years of service	26 – 30	2.25% per year
The next 7 years of service	31 – 37	2.50% per year
The next 1 year of service	38	2.25% per year

The maximum benefit is 75% of FAC.

- For Schedule A members who are not grandfathered, i.e., members who had at least 10 years of creditable service at June 30, 2005 but who were not eligible to retire on September 30, 2009, benefits are based on Schedule A (under (i) above) for service through September 30, 2009 and on Schedule B (under (ii) above) for service after September 30, 2009. The maximum benefit is 80% of FAC.
- MHRH nurses receive a benefit determined under the appropriate formula above.
- Correctional Officers receive a benefit computed under a different formula:

For Service In:	Years	Benefit Percentage Earned
The first 30 years of service	1 – 30	2.0% per year
The next 1 year of service	31	6.0% per year
The next 1 year of service	32	5.0% per year
The next 1 year of service	33	4.0% per year
The next 1 year of service	34	3.0% per year
The next 14 years of service	35	2.0% per year

The maximum benefit for correctional officers is 80% of FAC.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

Payment Form: Benefits are paid as a monthly life annuity. Optional forms of payment are available.

Death benefit: After retirement, death benefits are based on the form of annuity elected. If no option is elected, i.e., if payments are made as a life annuity, there is a minimum death benefit equal to the sum of the member's contributions without interest, less the sum of the monthly benefit payments made before the member's death. In addition, a lump-sum death benefit is payable upon the death of any retired member, regardless of option elected. This lump sum is equal to a percentage of the lump-sum death benefit that was available to the member at the time of retirement. The percentage is 100% in the first year of retirement, 75% in the second year, 50% in the third year, and 25% in the fourth and subsequent years of retirement. However, in no event will the lump sum death benefit be less than \$4,000.

As prescribed by Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. This resulted in contribution rates paid by the State on behalf of the School Department of 8.18% of non-federally reimbursable payrolls totaling \$359,913 for the fiscal year ended June 30, 2012. These on-behalf payments of fringe benefits have been recognized as revenues and expenditures in the fiscal period. The School Department does not have any investments or related party investment with the State Plan.

Required contributions:

Fiscal Years Ending	Annual Required Pension Cost	Percentage Contributed
June 30, 2010	\$ 614,728	100%
June 30, 2011	\$ 565,124	100%
June 30, 2012	\$ 628,589	100%

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

In accordance with GASB 27, "Accounting for Pensions by State and Local Governmental Employers," the Town has determined that there are no assets or liabilities relating to the funding requirements of the plan.

***Actuarial Methods and Assumptions***

The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation date	June 30, 2011
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage Closed
Remaining amortization period	24 Years
Asset valuation method	5 Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	7.50%, Compounded Annually
Projected salary increases	4.00-7.00%
Cost-of-living adjustments	2.00%
Inflation Rate	2.75% Annually

**C. POLICE DEPARTMENT PENSION PLAN**

***Plan Description***

The Town of Jamestown administers a separately maintained Police Pension Plan. The pension plan is considered to be a single-employer defined benefit pension plan. The plan's funding is based on actuarial valuations that result in annual employer/employee contributions that include an amount for the past, present, and future benefit. The last actuarial valuation, reported herein, was as of July 1, 2012. The plan's assets are reported in the Town's annual financial report as a Pension Trust Fund.

The plan provides retirement benefits as well as death and disability benefits. All members of the police department who contribute to the plan are eligible to participate after six months of service. Participants in the plan who were hired prior to March 1, 1986 are eligible to retire at the earliest of their 55th birthday or completion of a specified number of years of service, depending upon date of hire. A participant hired on or after March 1, 1986 shall be eligible to retire at a date equal to the earliest of their 55th birthday or the completion of 25 years of service.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**C. POLICE DEPARTMENT PENSION PLAN**

***Plan Description***

The plan provides for both occupational and non-occupational disability. Non-occupational disability is provided for a participant who has completed at least 7 years of service and becomes totally and permanently disabled, and shall be entitled to receive a benefit equal to 50 percent of average compensation. A participant who becomes totally and permanently disabled as a result of the course of his employment shall be entitled to receive a benefit equal to 66 2/3 percent of average compensation. Average compensation is the highest three consecutive years of compensation in the last 10 years prior to termination.

If a participant shall die while employed, he shall receive a single sum benefit equal to the greater of the value of accumulated contribution, plus credited interest or \$400 multiplied by years of service up to 25 years subject to a minimum benefit of \$2,000. Employee's spouses are eligible for pre-retirement death benefits of 40 percent of average compensation until death or remarriage.

***Funding Policy***

Police Department Pension Plan members are required to contribute 9% of their annual salary. The Town is required to contribute at an actuarially determined rate. The Town Council has the authority to determine the Town's obligation to contribute to the plan. The funding policy is based on the availability of Town assets. Required contribution rates by plan members are negotiated through labor contracts.

***Annual Pension Costs***

Significant actuarial assumptions included (a) a net investment return of 7 percent annually, (b) projected salary increase of 4 percent annually, (c) mortality RP 2000 M/F Combined Health Mortality Table and (d) a retirement age of 55 and the completion of 25 years of service or the participant's current age, if later.

**C. POLICE DEPARTMENT PENSION PLAN**

**REQUIRED SUPPLEMENTARY INFORMATION**  
 Six-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Benefit
6/30/2007	\$ 151,079	145%	\$ (1,151,583)
6/30/2008	\$ 164,091	127%	\$ (1,196,156)
6/30/2009	\$ 187,528	92%	\$ (1,180,556)
6/30/2010	\$ 285,616	90%	\$ (1,152,450)
6/30/2011	\$ 282,712	71%	\$ (1,071,687)
6/30/2012	\$ 233,777	60%	\$ (979,240)

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**C. POLICE DEPARTMENT PENSION PLAN**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Excess of Assets (Over) Under AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Excess of Assets Over AAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/06	\$ 7,319,943	\$ 6,063,500	\$ (1,256,443)	120.7%	\$ 708,586	-177.3%
7/1/08	\$ 8,181,752	\$ 6,261,768	\$ (1,919,984)	130.7%	\$ 704,314	-272.6%
7/1/09	\$ 7,162,384	\$ 7,137,088	\$ (25,296)	100.4%	\$ 764,942	-3.3%
7/1/10	\$ 7,917,927	\$ 7,975,138	\$ 57,211	99.3%	\$ 607,806	9.4%
7/1/11	\$ 8,822,350	\$ 8,051,512	\$ (770,838)	109.6%	\$ 648,605	-118.8%
7/1/12	\$ 8,678,157	\$ 8,037,077	\$ (641,080)	108.0%	\$ 677,630	-94.6%

*Annual Pension Cost and Net Pension Obligation:* The Town's annual pension cost and net pension obligation for the Police Plan's. The plan is currently over funded and appears in the statement of net assets as a current asset on the town records. The current year's activity was as follows:

Annual required contribution	\$ 173,873
Interest on net pension obligation	(75,018)
Adjustment to annual required contribution	<u>134,922</u>
Annual pension cost	233,777
Contributions made	<u>(141,330)</u>
Increase (decrease) in net pension obligation	92,447
Net pension benefit beginning of year	<u>(1,071,687)</u>
Net pension benefit end of year	<u>\$ (979,240)</u>

**Actuarial Assumptions**

Inflation Rate: The plan assumes a rate of 3.00% - 3.50%.  
Investment Returns: The plan assumes a return rate of 7.00%.  
Amortization Factor: 10.108  
Amortization Period: 16 Year (decreasing)  
Projected Salary Increases: 4% per annum

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 11- FUND EQUITY**

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

The following fund balance categories are recorded on the Balance Sheet of Government Funds in the financial statements at June 30, 2012:

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories. \$ 57,032
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions. \$ 2,011,965
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action. \$ 1,387,256
- **Assigned** – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances. \$ 950,633
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund. \$ 3,771,626

**NOTE 12 – OTHER POST RETIREMENT BENEFITS**

**Plan Description**

In addition to the pension benefits described above, the Town provides a single employer defined benefit postretirement health insurance program in accordance with Town union contracts. These benefits are for continued full family or individual health care for the employee groups as described below.

**Plan Types**

Police Officers

Medical: Blue Cross/Healthmate Coast to Coast

Dental: 100% cost paid by employee

School Employees

Medical: Blue Cross Blue Shield Classic Plan/Healthmate Coast to Coast

Dental: Delta Dental

**Eligibility**

Police Officers:

Police officers of the Jamestown Police Department are eligible for retirement under the Defined Benefit health plan after working 10 years of vesting service and after attaining age 55. Normal retirement date is defined as age 55 with 20 years of service.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 12 – OTHER POST RETIREMENT BENEFITS** *(continued)*

**Eligibility**

School Employees:

Retiring union employees from the Jamestown, RI School Department after attaining age 50 and 15 years of service. Administrative employees are eligible at age 50 with 10 years of service and non-exempt employees are not eligible. Teaching assistants and support staff are not eligible for postretirement benefits.

**Benefit Formula**

Police Officers:

Individual or family medical coverage is available to retirees under Blue Cross Healthmate Coast to Coast plan. The Town of Jamestown, Rhode Island (the "Town") covers 100% of the coverage for retired members hired prior to March 1, 1996 (except as described below); the Town also covers 80% of the coverage for retired members hired after March 1, 1996. Retired members are covered for their lifetime or until the time they become eligible for equal or better coverage through a future employer or spouse's employer. Retired members are not paid a subsidy or lump sum payment when opting out of coverage. Effective with future retirees that were hired prior to March 1, 1996, the Town would cover 93% of the coverage in 2011, and 85% of coverage for years beginning in 2012.

School Employees: Eligible employees hired prior to 8/31/1985 receive either individual or family medical coverage under Blue Cross Blue Shield Classic Plan or Healthmate Coast to Coast until the retiree becomes Medicare eligible. When the retiree becomes eligible for Medicare, he/she, and an eligible spouse, will be covered under the Plan 65. Retirees also receive individual or family Delta Dental coverage. Eligible employees hired prior to 8/31/1985 contribute 5% of their premium. Effective July 1, 2012, all current and future retirees are required to be enrolled in Medicare Part A and Part B to continue post-65 medical coverage under this Plan. Eligible employees hired between 8/31/1985 and 7/1/1997 will receive 2 years of individual medical coverage under Blue Cross Blue Shield Classic Plan or Healthmate Coast to Coast until age 65.

Retirees also receive individual Delta Dental coverage. Eligible employees hired in this period also contribute 5% of their premium. In addition, it is our understanding that eligible employees hired between 7/1/1997 and 8/31/2000 will be treated similarly. Eligible employees hired after 8/31/2000 may continue medical and dental coverage with the entire premium paid by the retiree. Surviving spouses are not eligible to continue receiving benefits.

**Funding Policy**

Contribution requirements are negotiated between the Town and the respective unions. The Town is required to contribute the cost of medical/drug and dental benefits, less the amount of any applicable co-payment in effect at the time of retirement. For the year-ended June 30, 2012, the plan operated on a pay as you go basis and no provision has been made to fund future benefits to be provided to plan members.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 12 – OTHER POST RETIREMENT BENEFITS** (continued)

**Annual OPEB Funded Status and net OPEB Obligation- Police Plan**

The following chart projects the Actuarial Required Contribution (“ARC”), Pay-As-you-Go, Annual OPEB cost and the Net OPEB Obligation an unfunded (pay-as-you-go) scenario.

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	-	1,874,075	1,874,075	0%	611,409	307%
2009	-	1,661,060	1,661,060	0%	634,944	262%
2011	-	3,482,971	3,482,971	0%	607,589	573%

*Annual OPEB Cost and Net OPEB Obligation:* Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2012.

Annual required contribution	\$333,454
Interest on OPEB obligation	13,026
Adjustment to annual required contribution	<u>( 18,832)</u>
Annual pension cost	327,648
Contributions made	<u>(112,885)</u>
Allocations for implicit rate study	(56,507)
Increase (decrease) in OPEB obligation	<u>158,256</u>
Net OPEB obligation beginning of year	<u>325,650</u>
Net OPEB obligation end of year	<u>\$483,906</u>

**Police Department OPEB Trend Information**

Fiscal Year End June 30,	Annual OPEB Cost	Plan Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	233,368	129,242	55.4%	104,126
2010	214,367	77,643	36.2%	240,850
2011	211,930	127,130	60.0%	325,650
2012	327,648	169,392	51.7%	483,906

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

**NOTE 12 – OTHER POST RETIREMENT BENEFITS** (continued)

**Annual OPEB Funded Status and net OPEB Obligation- School Plan**

The following chart projects the Actuarial Required Contribution (“ARC”), Pay-As-you-Go, Annual OPEB cost and the Net OPEB Obligation an unfunded (pay-as-you-go) scenario.

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	-	13,129,596	13,129,596	0%	3,944,077	333%
2009	-	14,153,205	14,153,205	0%	3,479,423	407%
2011	-	6,496,005	6,496,005	0%	3,882,728	167%

**Annual OPEB Funded Status and net OPEB Obligation- School Plan**

*Annual OPEB Cost and Net OPEB Obligation:* Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2012.

Annual required contribution	\$487,820
Interest on OPEB obligation	48,125
Adjustment to annual required contribution	(69,577)
Annual OPEB cost	466,368
Contributions made	(384,080)
Allocations for implicit rate study	(180,687)
Increase (decrease) in NOO	(98,399)
Net OPEB obligation beginning of year	<u>1,203,125</u>
Net OPEB obligation end of year	<u>\$1,104,726</u>

**School Department OPEB Trend Information**

Fiscal Year End June 30,	Annual OPEB Cost	Plan Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	905,779	485,397	53.6%	420,382
2010	917,793	494,411	53.9%	843,764
2011	910,245	550,884	60.5%	1,203,125
2012	466,368	564,767	121.1%	1,104,726



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 12 – OTHER POST RETIREMENT BENEFITS** (continued)

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing benefit cost between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Below are the actuarial assumptions used to project future cost of the plan.

**Police Officers Plan**

Valuation Date:	July 1, 2011
Discount Rate	4.00%
Healthy Mortality	RP-2000 Male/Female Combined
2011 Medical Trend Rate	8.00% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

**School Employees Plan**

Valuation Date:	July 1, 2011
Discount Rate	4.00%
Healthy Mortality	IRS 2011 P.V. Optional Combined Male/Female
2009 Medical Trend Rate	8.50% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

**NOTE 13 - LANDFILL POST-CLOSURE CARE COSTS**

State and federal laws and regulations require that the Town of Jamestown perform certain maintenance and monitoring functions for 30 years after its landfill has been closed. The Jamestown landfill was closed during fiscal year 1983. The full liability for landfill post-closure care costs cannot be estimated at this time. Additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by additional charges in future years. For the fiscal year ended June 30, 2012 the town's landfill maintenance cost was \$40,201.

**NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

**A. Litigation**

During the ordinary course of its operations, the Town is a party to various claims, other legal actions and complaints. These various legal actions include disputes in property valuations and torts for which the Town has been named as a defendant. In the opinion of the Town's management and legal counsel, they do not anticipate any of them to have a material financial impact or at this time their legal counsel has been unable to assess liability, if any, on the part of the Town.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES** *(continued)*

**B. Federally Assisted Programs - Compliance Audits**

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2012 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

**NOTE 15 - RISK MANAGEMENT**

The Town of Jamestown is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Inter-local Risk Management Trust, Inc.) that provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement that outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The policy is not retrospectively rated, but rather, premiums are based on the ultimate cost of the groups experience to date. The pool is allowed to make additional assessments for claims that are reasonably possible and estimable.

The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust, retains internally for payment from the pooled contributions of its Members. Under the participation agreement, the Town is insured for a maximum of \$2,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. It is not anticipated that the risks will exceed the trust coverage in the current year. There are no claims incurred for which the insurance pool has denied coverage. Therefore there are no incurred but not recorded liabilities at June 30, 2012.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2012*

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**NOTE 16 - DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS**

The following individual funds had deficit fund equity balances as of June 30, 2012:

***Governmental Funds***

***Special Revenue Funds***

Drug Forfeiture Fund	\$ 386	*
Wind Study Fund	44,232	*
Renewable Energy Fund	17,541	*
School Route Grant	11,268	*
Historic Preservation Fund	2,290	*
Byrne Grant	21,584	*
EMPG Fund	6,694	*
<b><i>Capital Project Funds</i></b>		
Capital Improvement Fund	54,371	*
<b><i>Total</i></b>	<b>\$ 158,366</b>	

\* The deficits will be eliminated by future reimbursements from either the State or the Federal Government.

**NOTE 17 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 21, 2012, the date the financial statements were available to be issued. As a result of this review no subsequent events were noted:

## **Required Supplementary Information**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Revenues and Expenditures (Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2012**

	<b>GENERAL FUND</b>			
	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
<b>REVENUES</b>				
Property tax	\$ 18,001,386	\$ 18,001,386	\$ 18,065,154	\$ 63,768
Intergovernmental and departmental revenue	1,534,827	1,534,827	1,762,055	227,228
License and permits	889,000	889,000	858,933	(30,067)
Fines and interest on late payments	140,000	140,000	130,817	(9,183)
Interest on investments	75,000	75,000	27,601	(47,399)
Other revenues	81,671	81,671	112,675	31,004
<b>TOTAL REVENUES</b>	<b>20,721,884</b>	<b>20,721,884</b>	<b>20,957,235</b>	<b>235,351</b>
<b>EXPENDITURES</b>				
Legislative, judicial, and general administrative	1,996,438	1,996,438	1,947,278	49,160
Financial administration and tax assessor	294,333	294,333	299,135	(4,802)
Public safety	2,162,268	2,162,268	2,160,815	1,453
Public works	1,587,187	1,587,187	1,558,042	29,145
Public welfare	5,464	5,464	3,964	1,500
Public health	262,693	262,693	279,296	(16,603)
Tree Warden	31,400	31,400	34,879	(3,479)
Library	359,990	359,990	357,584	2,406
Parks & recreation	494,320	494,320	464,836	29,484
Education	11,822,753	11,822,753	11,478,947	343,806
Other	103,500	103,500	72,920	30,580
<b>Debt service</b>				
Principal	595,000	595,000	665,000	(70,000)
Interest	403,983	403,983	405,295	(1,312)
<b>TOTAL EXPENDITURES</b>	<b>20,119,329</b>	<b>20,119,329</b>	<b>19,727,991</b>	<b>391,338</b>
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>602,555</u>	<u>602,555</u>	<u>1,229,244</u>	<u>626,689</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Use of prior year accumulated surplus	590,911	590,911	590,911	-
Transfer in from other funds	150,000	150,000	150,000	-
Transfer to other funds	(155,911)	(155,911)	(155,911)	-
Transfer to Capital Improvement Fund	(1,187,555)	(1,187,555)	(1,018,551)	169,004
<b>TOTAL OTHER FINANCING USES</b>	<b>(602,555)</b>	<b>(602,555)</b>	<b>(433,551)</b>	<b>169,004</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 795,693</u>	<u>\$ 795,693</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Revenues**  
**Budget and Actual (Non-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>GENERAL PROPERTY TAXES</b>				
Real estate and personal property taxes	\$ 18,001,386	18,001,386	\$ 18,065,154	\$ 63,768
TOTAL GENERAL PROPERTY TAXES	<u>18,001,386</u>	<u>18,001,386</u>	<u>18,065,154</u>	<u>63,768</u>
<b>INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES</b>				
Library state aid	132,732	132,732	135,597	2,865
State Education Aid	334,730	334,730	467,630	132,900
Medicaid reimbursement	90,000	90,000	96,363	6,363
Certificate of occupancy	1,000	1,000	900	(100)
State of Rhode Island MV excise	478,372	478,372	536,527	58,155
Ambulance - 3rd party billing	95,000	95,000	86,817	(8,183)
Meal Tax Reimbursement	90,000	90,000	74,563	(15,437)
Tax stamps town share	150,000	150,000	132,449	(17,551)
RI Trust TOPS Dividend	15,500	15,500	15,664	164
Radon tax town share	-	-	45	45
Public housing	104,493	104,493	103,439	(1,054)
Finance	35,000	35,000	52,858	17,858
Grant revenue	-	-	51,516	51,516
Alarm revenue	8,000	8,000	7,687	(313)
TOTAL INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES	<u>1,534,827</u>	<u>1,534,827</u>	<u>1,762,055</u>	<u>227,228</u>
<b>LICENSES AND PERMITS</b>				
Building permits	93,000	93,000	93,342	342
Electric permits	25,000	25,000	11,158	(13,842)
Plumbing permits	5,000	5,000	4,598	(402)
Demolition permits	1,000	1,000	560	(440)
Mechanical permits	20,000	20,000	19,482	(518)
Copies and recording	120,000	120,000	110,249	(9,751)
Licenses and fees	10,000	10,000	9,762	(238)
Zoning fees	5,000	5,000	575	(4,425)
Probate fees	20,000	20,000	8,427	(11,573)
Transfer station stickers	90,000	90,000	100,980	10,980
Animal control	5,000	5,000	5,223	223
Parks & recreation	475,000	475,000	469,965	(5,035)
Public works	20,000	20,000	24,612	4,612
TOTAL LICENSES AND PERMITS	<u>889,000</u>	<u>889,000</u>	<u>858,933</u>	<u>(30,067)</u>
<b>FINES AND INTEREST ON LATE PAYMENTS</b>				
Police department fines	35,000	35,000	30,540	(4,460)
Library fines	5,000	5,000	7,291	2,291
Interest on late payments	100,000	100,000	92,986	(7,014)
TOTAL FINES AND INTEREST ON LATE PAYMENTS	<u>140,000</u>	<u>140,000</u>	<u>130,817</u>	<u>(9,183)</u>
<b>INTEREST ON INVESTMENTS</b>				
	<u>75,000</u>	<u>75,000</u>	<u>27,601</u>	<u>(47,399)</u>
<b>OTHER REVENUES</b>				
Miscellaneous revenue	81,671	81,671	112,675	31,004
TOTAL OTHER REVENUES	<u>81,671</u>	<u>81,671</u>	<u>112,675</u>	<u>31,004</u>
TOTAL REVENUES	<u>20,721,884</u>	<u>20,721,884</u>	<u>20,957,235</u>	<u>235,351</u>
<b>OTHER FINANCING SOURCES</b>				
Use of prior year accumulated surplus	590,911	590,911	590,911	-
Transfer-in other funds	150,000	150,000	150,000	-
TOTAL OTHER FINANCING SOURCES	<u>740,911</u>	<u>740,911</u>	<u>740,911</u>	<u>-</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 21,462,795</u>	<u>\$ 21,462,795</u>	<u>\$ 21,698,146</u>	<u>\$ 235,351</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE</b>				
Town Council				
Salaries	\$ 8,767	\$ 8,767	\$ 8,767	\$ -
Fees and supplies	1,500	1,500	137	1,363
Advertising	2,500	2,500	-	2,500
Total Town Council	<u>12,767</u>	<u>12,767</u>	<u>8,904</u>	<u>3,863</u>
Town Administration				
Salaries, Administrator, Clerical	157,780	157,780	160,824	(3,044)
Fees, supplies and dues	2,800	2,800	2,078	722
Travel expense	5,500	5,500	3,000	2,500
Total Town Administration	<u>166,080</u>	<u>166,080</u>	<u>165,902</u>	<u>178</u>
Probate Court				
Salaries and wages	4,603	4,603	4,603	-
Fees and supplies	2,100	2,100	563	1,537
Total Probate Court	<u>6,703</u>	<u>6,703</u>	<u>5,166</u>	<u>1,537</u>
Elections and Town Meetings				
Salaries, Canvassers	8,381	8,381	10,746	(2,365)
Fees and supplies	4,250	4,250	3,424	826
Advertising and printing	1,050	1,050	602	448
Total Elections and Town Meetings	<u>13,681</u>	<u>13,681</u>	<u>14,772</u>	<u>(1,091)</u>
Other				
Social security tax	272,000	272,000	272,364	(364)
Medical	695,000	695,000	662,424	32,576
Workman's compensation	70,000	70,000	61,212	8,788
Retirement system	276,803	276,803	284,129	(7,326)
Life insurance	10,000	10,000	8,230	1,770
General liability insurance	75,000	75,000	70,932	4,068
Salary study adjustment	3,000	3,000	-	3,000
Total Other	<u>1,401,803</u>	<u>1,401,803</u>	<u>1,359,291</u>	<u>42,512</u>
Legal				
Professional services - legal	95,000	95,000	90,458	4,542
Total legal	<u>95,000</u>	<u>95,000</u>	<u>90,458</u>	<u>4,542</u>
Clerks and Records				
Salaries and wages	139,038	139,038	141,494	(2,456)
Fees, supplies and dues	33,000	33,000	38,270	(5,270)
Advertising and printing	3,200	3,200	1,438	1,762
Total Clerks and Records	<u>175,238</u>	<u>175,238</u>	<u>181,202</u>	<u>(5,964)</u>
Planning				
Salaries and wages	101,216	101,216	101,829	(613)
Planning commission	7,150	7,150	6,670	480
Fees, supplies & dues	5,500	5,500	6,032	(532)
Advertising	600	600	280	320
Total planning	<u>114,466</u>	<u>114,466</u>	<u>114,811</u>	<u>(345)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (NON-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**  
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Zoning				
Salaries and wages	10,000	10,000	6,471	3,529
Fees, supplies and dues	700	700	301	399
Total Zoning	<u>10,700</u>	<u>10,700</u>	<u>6,772</u>	<u>3,928</u>
TOTAL LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE	<u>1,996,438</u>	<u>1,996,438</u>	<u>1,947,278</u>	<u>49,160</u>
<b>FINANCIAL ADMINISTRATION AND TAX ASSESSOR</b>				
Finance and Tax Assessor Office				
Salaries and wages - Finance Office	79,466	79,466	79,645	(179)
Salary Deputy Tax Collector	59,002	59,002	60,926	(1,924)
Salaries and wages - Tax Assessor	59,410	59,410	59,530	(120)
Professional services	14,000	14,000	16,466	(2,466)
Clerical-Tax Assessor	2,000	2,000	1,613	387
Fees, supplies and dues - Tax Assessor	12,155	12,155	10,672	1,483
Fees, supplies and dues - Finance Office	22,000	22,000	15,709	6,291
Salaries and wages- Computer Technician	30,000	30,000	33,598	(3,598)
Advertising and printing - Finance Office	500	500	117	383
Advertising and printing - Tax Assessor	1,200	1,200	1,013	187
Field Inspections	1,000	1,000	760	240
Total Finance Office	<u>280,733</u>	<u>280,733</u>	<u>280,049</u>	<u>684</u>
Audit of Accounts				
Professional services	13,600	13,600	19,086	(5,486)
Total Audit of Accounts	<u>13,600</u>	<u>13,600</u>	<u>19,086</u>	<u>(5,486)</u>
TOTAL FINANCIAL ADMINISTRATION AND TAX ASSESSOR	<u>294,333</u>	<u>294,333</u>	<u>299,135</u>	<u>(4,802)</u>
<b>PUBLIC SAFETY</b>				
Police Department				
Salaries and wages - Police Department	990,286	990,286	921,284	69,002
Salaries and wages - Animal Control	10,000	10,000	3,760	6,240
Police benefits	57,300	57,300	60,296	(2,996)
Police overtime and sick leave	150,000	150,000	244,369	(94,369)
Police retirement	141,332	141,332	141,330	2
Supplies - Police Department	20,400	20,400	20,290	110
Supplies - Animal Control	-	-	1,614	(1,614)
Advertising and printing	950	950	1,002	(52)
Computer maintenance	16,526	16,526	12,489	4,037
Building Maintenance	5,000	5,000	4,822	178
Vehicle insurance - Police Department	8,197	8,197	8,000	197
Telephone - Police Department	26,500	26,500	21,274	5,226
Equipment, uniforms	7,250	7,250	8,214	(964)
Maintenance of uniforms - Police and Animal Control	34,250	34,250	29,195	5,055
Ammunition and supplies	6,175	6,175	3,663	2,512
Maintenance of police cars	20,000	20,000	10,176	9,824
Gas and tires - Police	37,500	37,500	36,778	722
Training of members	20,000	20,000	18,522	1,478
Police incentive program	13,200	13,200	7,880	5,320
Maintenance of radio system	16,500	16,500	14,310	2,190
Equipment	8,742	8,742	2,162	6,580
Total Police Department	<u>1,590,108</u>	<u>1,590,108</u>	<u>1,571,430</u>	<u>18,678</u>



**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Fire Department</b>				
Salaries and wages - Fire	110,699	110,699	123,809	(13,110)
Fire incentive program	70,000	70,000	71,400	(1,400)
Fees, supplies and dues	4,800	4,800	5,388	(588)
Insurance	44,368	44,368	44,772	(404)
Telephone	6,500	6,500	7,355	(855)
Apparatus and truck repair	25,000	25,000	29,244	(4,244)
Gas, tires and oil	10,000	10,000	15,202	(5,202)
Training	10,000	10,000	4,832	5,168
Fuel oil	9,000	9,000	8,635	365
Maintenance	8,500	8,500	10,445	(1,945)
Electricity	10,000	10,000	8,958	1,042
Alarm and radio	7,200	7,200	3,791	3,409
Oxygen and air pack	5,500	5,500	4,488	1,012
Water	1,500	1,500	1,130	370
Fire equipment	10,000	10,000	11,037	(1,037)
Fire extinguisher agents	2,500	2,500	1,991	509
Subscriptions and journals	600	600	484	116
Total Fire Department	<u>336,167</u>	<u>336,167</u>	<u>352,961</u>	<u>(16,794)</u>
<b>Other Protective Services</b>				
Salaries and wages	106,493	106,493	107,378	(885)
Supplies and expenses	4,500	4,500	4,046	454
Hydrant rental	125,000	125,000	125,000	-
Total Other Protective Services	<u>235,993</u>	<u>235,993</u>	<u>236,424</u>	<u>(431)</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>2,162,268</u>	<u>2,162,268</u>	<u>2,160,815</u>	<u>1,453</u>
<b>PUBLIC WORKS</b>				
<b>Administration</b>				
Salary - Public Works Director	43,900	43,900	44,058	(158)
Supplies and expenses	1,400	1,400	707	693
Total Administration	<u>45,300</u>	<u>45,300</u>	<u>44,765</u>	<u>535</u>
<b>Engineering</b>				
Salary - Intern	10,000	10,000	13,095	(3,095)
Salary - Environmental Scientist	27,983	27,983	28,752	(769)
Supplies	1,200	1,200	1,130	70
Total Engineering	<u>39,183</u>	<u>39,183</u>	<u>42,977</u>	<u>(3,794)</u>
<b>Highway</b>				
Salaries and wages	585,936	585,936	588,402	(2,466)
Vehicles and insurance	12,000	12,000	12,000	-
Upkeep of equipment	50,000	50,000	71,114	(21,114)
Oil and gas	60,000	60,000	74,893	(14,893)
Sand and gravel	15,000	15,000	16,495	(1,495)
Cold patch	15,000	15,000	15,628	(628)
Other road supplies	15,000	15,000	12,260	2,740
Equipment rental	3,000	3,000	3,538	(538)
Safety and licensing	6,500	6,500	7,190	(690)
Total Highway	<u>762,436</u>	<u>762,436</u>	<u>801,520</u>	<u>(39,084)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**  
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Snow Removal</b>				
Snow removal	22,550	22,550	-	22,550
Equipment and supplies	40,000	40,000	13,531	26,469
<b>Total Snow Removal</b>	<u>62,550</u>	<u>62,550</u>	<u>13,531</u>	<u>49,019</u>
<b>Waste Removal</b>				
Salary - Operator	56,118	56,118	57,487	(1,369)
Telephone	500	500	494	6
Electricity	1,000	1,000	559	441
Maintenance and testing	45,000	45,000	40,201	4,799
Transfer and trucking	310,000	310,000	306,978	3,022
Hazardous waste	1,000	1,000	-	1,000
<b>Total Waste Removal</b>	<u>413,618</u>	<u>413,618</u>	<u>405,719</u>	<u>7,899</u>
<b>Street Lighting</b>				
Electricity	47,500	47,500	51,158	(3,658)
<b>Total Street Electric</b>	<u>47,500</u>	<u>47,500</u>	<u>51,158</u>	<u>(3,658)</u>
<b>Other Public Works</b>				
Town cemetery and parade	2,100	2,100	1,721	379
<b>Total Other Public Works</b>	<u>2,100</u>	<u>2,100</u>	<u>1,721</u>	<u>379</u>
<b>Public Buildings</b>				
Contracted services	42,000	42,000	50,398	(8,398)
Supplies	5,000	5,000	5,757	(757)
Telephone and alarms	20,000	20,000	17,331	2,669
Electric	47,000	47,000	42,087	4,913
Water	8,500	8,500	7,253	1,247
Heating	45,000	45,000	37,123	7,877
Repairs and maintenance	35,000	35,000	34,725	275
Landscape	12,000	12,000	1,977	10,023
<b>Total Public Buildings</b>	<u>214,500</u>	<u>214,500</u>	<u>196,651</u>	<u>17,849</u>
<b>TOTAL PUBLIC WORKS</b>	<u>1,587,187</u>	<u>1,587,187</u>	<u>1,558,042</u>	<u>29,145</u>
<b>PUBLIC WELFARE</b>				
Salaries and wages	3,964	3,964	3,964	-
New Visions, Newport County	1,500	1,500	-	1,500
<b>TOTAL PUBLIC WELFARE</b>	<u>5,464</u>	<u>5,464</u>	<u>3,964</u>	<u>1,500</u>
<b>PUBLIC HEALTH</b>				
Ambulance incentive program	80,000	80,000	76,324	3,676
JFD EMS Director	-	-	29,429	(29,429)
Ambulance	83,500	83,500	80,180	3,320
Insurance for ambulance	22,500	22,500	21,670	830
Visiting nurse / mental health	20,000	20,000	15,000	5,000
Senior center operations	56,693	56,693	56,693	-
<b>TOTAL PUBLIC HEALTH</b>	<u>262,693</u>	<u>262,693</u>	<u>279,296</u>	<u>(16,603)</u>
<b>TREE WARDEN</b>				
Salaries	9,600	9,600	11,225	(1,625)
Supplies	1,800	1,800	5,061	(3,261)
Tree pruning	15,000	15,000	13,637	1,363
Purchase of Trees	5,000	5,000	4,956	44
<b>TOTAL TREE WARDEN</b>	<u>31,400</u>	<u>31,400</u>	<u>34,879</u>	<u>(3,479)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2012**  
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>LIBRARY</b>				
Salaries and wages	186,674	186,674	182,300	4,374
Custodian	3,000	3,000	3,462	(462)
Fees, supplies & dues	7,000	7,000	7,773	(773)
Insurance	11,689	11,689	10,500	1,189
Telephone	2,000	2,000	1,824	176
Equipment	300	300	214	86
Electricity	19,000	19,000	17,632	1,368
Heat	14,000	14,000	14,776	(776)
Repairs and maintenance	16,000	16,000	18,984	(2,984)
Computer repairs and maintenance	4,000	4,000	4,000	-
Books and periodicals	22,450	22,450	21,707	743
Books - State aid	73,877	73,877	74,412	(535)
<b>TOTAL LIBRARY</b>	<u>359,990</u>	<u>359,990</u>	<u>357,584</u>	<u>2,406</u>
<b>PARKS AND RECREATION</b>				
Salaries and wages	372,700	372,700	352,348	20,352
Supplies	5,965	5,965	6,596	(631)
Advertising and printing	3,750	3,750	3,310	440
Insurance	5,882	5,882	7,222	(1,340)
Telephone	3,250	3,250	2,879	371
Equipment	4,600	4,600	4,404	196
Gas and oil	7,000	7,000	9,941	(2,941)
Electricity and field lighting	28,000	28,000	22,389	5,611
Fort Getty water removal	8,000	8,000	6,524	1,476
Shores beach / sanitary facilities	3,000	3,000	3,087	(87)
Water	13,500	13,500	9,939	3,561
Trash removal	12,000	12,000	10,231	1,769
Repairs, maintenance and improvements	21,648	21,648	20,936	712
Summer program	3,825	3,825	3,797	28
Winter program	1,200	1,200	1,233	(33)
<b>TOTAL PARKS AND RECREATION</b>	<u>494,320</u>	<u>494,320</u>	<u>464,836</u>	<u>29,484</u>
<b>SCHOOL DEPARTMENT</b>				
Education	11,822,753	11,822,753	11,478,947	343,806
<b>TOTAL EDUCATION</b>	<u>11,822,753</u>	<u>11,822,753</u>	<u>11,478,947</u>	<u>343,806</u>
<b>OTHER</b>				
Incidents and emergencies	50,000	50,000	69,003	(19,003)
Conservation commission	2,200	2,200	2,617	(417)
Eastern RI CO-OP Extension	1,300	1,300	1,300	-
<b>TOTAL OTHER</b>	<u>53,500</u>	<u>53,500</u>	<u>72,920</u>	<u>(19,420)</u>
<b>EMERGENCY MEDICAL SERVICES</b>				
Management/Administration/Training	50,000	50,000	-	50,000
<b>TOTAL EMERGENCY MEDICAL SERVICES</b>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<b>DEBT SERVICE</b>				
Principal payments	595,000	595,000	665,000	(70,000)
Interest	403,983	403,983	405,295	(1,312)
<b>TOTAL DEBT SERVICE</b>	<u>998,983</u>	<u>998,983</u>	<u>1,070,295</u>	<u>(71,312)</u>
<b>TOTAL EXPENDITURES</b>	<u>20,119,329</u>	<u>20,119,329</u>	<u>19,727,991</u>	<u>391,338</u>
<b>OTHER FINANCING USES</b>				
Transfer to other funds				
Transfer to other funds	155,911	155,911	155,911	-
Capital improvement fund	1,187,555	1,187,555	1,018,551	169,004
<b>TOTAL OTHER FINANCING USES</b>	<u>1,343,466</u>	<u>1,343,466</u>	<u>1,174,462</u>	<u>169,004</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 21,462,795</u>	<u>\$ 21,462,795</u>	<u>\$ 20,902,453</u>	<u>\$ 560,342</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Capital Improvement Fund**  
**Schedule of Revenues and Expenditures (Non GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2012**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
Other	\$ 15,000	\$ 15,000	\$ 39,675	\$ 24,675
TOTAL REVENUES	<u>15,000</u>	<u>15,000</u>	<u>39,675</u>	<u>24,675</u>
EXPENDITURES				
Capital outlay	170,911	170,911	157,205	13,706
TOTAL EXPENDITURES	<u>170,911</u>	<u>170,911</u>	<u>157,205</u>	<u>13,706</u>
Excess of expenditures over revenues before operating transfers	<u>(155,911)</u>	<u>(155,911)</u>	<u>(117,530)</u>	<u>38,381</u>
OTHER FINANCING SOURCES (USES)				
Transfer from School General Fund	155,911	155,911	155,911	-
TOTAL OPERATING TRANSFERS	<u>155,911</u>	<u>155,911</u>	<u>155,911</u>	<u>-</u>
Excess of revenues over expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,381</u>	<u>\$ 38,381</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2012**

The accompanying Statement of Revenues, Expenditures (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2012 is presented below:

	General Fund GAAP Basis	School Capital <u>Improvement</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 795,693	\$ 38,381
<i>Adjustments:</i>		
To adjust for use of accumulated surplus	<u>(590,911)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ 204,782</u>	<u>\$ 38,381</u>

## **Supplementary Information**

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
Combining Balance Sheet - Non-Major Governmental Funds  
JUNE 30, 2012

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
<b>ASSETS</b>					
Cash	\$ 144,679	\$ -	\$ 53,175	\$ 48,837	\$ 246,691
Due from federal and state governments	41,028	81,087	4,410	-	126,525
Due from other funds	807,173	319,595	19,108	344,861	1,490,737
<b>Total assets</b>	<b>\$ 992,880</b>	<b>\$ 400,682</b>	<b>\$ 76,693</b>	<b>\$ 393,698</b>	<b>\$ 1,863,953</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 54,854	\$ 2,466	\$ 11,063	-	\$ 68,383
Due to other funds	109,258	79,149	-	-	188,407
Deferred revenues	-	319,067	-	-	319,067
<b>Total liabilities</b>	<b>164,112</b>	<b>400,682</b>	<b>11,063</b>	<b>-</b>	<b>575,857</b>
<b>Fund balances (deficits)</b>					
<i>Restricted for:</i>					
Public safety programs	47,760	-	-	-	47,760
<i>Committed for:</i>					
Public works programs	-	-	-	393,698	393,698
<i>Assigned for:</i>					
Public safety programs	37,252	-	-	-	37,252
Public welfare	64,964	-	65,630	-	130,594
Public works programs	318,447	-	-	-	318,447
Culture and recreation	464,340	-	-	-	464,340
<i>Unassigned</i>	(103,995)	-	-	-	(103,995)
<b>Fund balances (deficits)</b>	<b>828,768</b>	<b>-</b>	<b>65,630</b>	<b>393,698</b>	<b>1,288,096</b>
<b>Total liabilities and fund balances</b>	<b>\$ 992,880</b>	<b>\$ 400,682</b>	<b>\$ 76,693</b>	<b>\$ 393,698</b>	<b>\$ 1,863,953</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2012**

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
<b>Revenues</b>					
Intergovernmental	\$ 849,244	\$ 292,505	\$ 23,518	39,724	\$ 1,204,991
Other	389,119	92,801	109,535	-	591,455
<b>Total Revenues</b>	<u>1,238,363</u>	<u>385,306</u>	<u>133,053</u>	<u>39,724</u>	<u>1,796,446</u>
<b>Expenditures</b>					
Education	-	385,406	-	-	385,406
Other	736,560	-	137,919	104,574	979,053
Capital improvements/restricted programs	-	-	-	55,269	55,269
<b>Total expenditures</b>	<u>736,560</u>	<u>385,406</u>	<u>137,919</u>	<u>159,843</u>	<u>1,419,728</u>
<b>Excess of revenues over (under) Expenditures</b>	501,803	(100)	(4,866)	(120,119)	376,718
<b>Other Financing Sources (uses)</b>					
Operating transfers (to) from	(158,000)	-	-	155,911	(2,089)
<b>Total other financing sources</b>	<u>(158,000)</u>	<u>-</u>	<u>-</u>	<u>155,911</u>	<u>(2,089)</u>
Excess of revenues and other sources over (under) expenditures and other uses	343,803	(100)	(4,866)	35,792	374,629
<b>FUND BALANCE - July 1, 2011</b>	<u>484,965</u>	<u>100</u>	<u>70,496</u>	<u>357,906</u>	<u>913,467</u>
<b>FUND BALANCE - June 30, 2012</b>	<u>\$ 828,768</u>	<u>\$ -</u>	<u>\$ 65,630</u>	<u>\$ 393,698</u>	<u>\$ 1,288,096</u>



SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 7,108	\$ 62,581	\$ -	\$ 17,112
Accounts receivable	-	-	-	-	797	-	-
Due from other funds	18,426	36,928	287,848	518	215,006	4,646	-
TOTAL ASSETS	\$ 18,426	\$ 36,928	\$ 287,848	\$ 7,626	\$ 278,384	\$ 4,646	\$ 17,112
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 18,868	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	18,868	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	287,848	-	-	4,646	-
Public safety programs	-	-	-	7,626	-	-	17,112
Public welfare	18,426	36,928	-	-	259,516	-	-
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	18,426	36,928	287,848	7,626	259,516	4,646	17,112
TOTAL FUND BALANCE	\$ 18,426	\$ 36,928	\$ 287,848	\$ 7,626	\$ 278,384	\$ 4,646	\$ 17,112

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	WIND STUDY
<b>ASSETS</b>							
Cash and cash equivalents	\$ 11,367	-	-	-	-	4,600	-
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	346	-	41,656	22,826	-	-
<b>TOTAL ASSETS</b>	<b>\$ 11,367</b>	<b>\$ 346</b>	<b>\$ -</b>	<b>\$ 41,656</b>	<b>\$ 22,826</b>	<b>\$ 4,600</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	5,263	-	386	-	-	-	44,232
<b>TOTAL LIABILITIES</b>	<b>5,263</b>	<b>-</b>	<b>386</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,232</b>
<b>FUND BALANCE</b>							
<i>Restricted for:</i>							
Public welfare	6,104	-	-	41,656	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	346	-	-	-	-	-
Public welfare	-	-	-	-	-	4,600	-
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	22,826	-	-
<i>Unassigned</i>	-	-	(386)	-	-	-	(44,232)
<b>TOTAL FUND BALANCE</b>	<b>6,104</b>	<b>346</b>	<b>(386)</b>	<b>41,656</b>	<b>22,826</b>	<b>4,600</b>	<b>(44,232)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 11,367</b>	<b>\$ 346</b>	<b>\$ -</b>	<b>\$ 41,656</b>	<b>\$ 22,826</b>	<b>\$ 4,600</b>	<b>\$ -</b>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	STREETSCAPE IMPROVEMENTS	HISTORIC PRESERVATION PLANNING	BYRNE GRANT	4 GRINELL ST.	MARSH RESTORATION
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	-	\$ -	-	\$ -	\$ -	\$ -
Accounts receivable	-	-	35,986	-	-	-	-
Due from other funds	-	-	-	-	-	26,731	14,755
<b>TOTAL ASSETS</b>	\$ -	\$ -	\$ 35,986	\$ -	\$ -	\$ 26,731	\$ 14,755
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 17,541	11,268	\$ 35,986	\$ 2,290	\$ 21,584	\$ -	\$ -
Due to other funds	17,541	11,268	-	2,290	21,584	-	-
<b>TOTAL LIABILITIES</b>	\$ 35,082	\$ 22,536	\$ 35,986	\$ 4,580	\$ 43,168	\$ -	\$ -
<b>FUND BALANCE</b>							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	26,731	-
Public works programs	-	-	-	-	-	-	14,755
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	(17,541)	(11,268)	-	(2,290)	(21,584)	-	-
<b>TOTAL FUND BALANCE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,731	\$ 14,755
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	\$ -	\$ -	\$ 35,986	\$ -	\$ -	\$ 26,731	\$ 14,755

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	STREETSCAPE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	4,245	-	-	-	-	-	-
Due from other funds	2,553	1,387	-	76,180	5,076	13,604	2,249
TOTAL ASSETS	\$ 6,598	\$ 1,387	\$ -	\$ 76,180	\$ 5,076	\$ 13,604	\$ 2,249
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	1,387	-	-	-	13,604	-
Public welfare	-	-	-	-	5,076	-	-
Public works programs	6,598	-	-	-	-	-	-
Culture and recreation	-	-	-	76,180	-	-	2,249
<i>Unassigned</i>	-	-	-	-	-	-	-
TOTAL FUND BALANCE	\$ 6,598	\$ 1,387	\$ -	\$ 76,180	\$ 5,076	\$ 13,604	\$ 2,249
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,598	\$ 1,387	\$ -	\$ 76,180	\$ 5,076	\$ 13,604	\$ 2,249

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	DOH - FUNDS	EMPG	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	FEMA 2010 STORM	POLICE PARKING	FIRST PLUNGE
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 33,157	\$ -	\$ -	\$ 8,754
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	13,293	-	14,723	-	-	8,622	-
<b>TOTAL ASSETS</b>	<b>\$ 13,293</b>	<b>\$ -</b>	<b>\$ 14,723</b>	<b>\$ 33,157</b>	<b>\$ -</b>	<b>\$ 8,622</b>	<b>\$ 8,754</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	6,694	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>6,694</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	13,293	-	-	33,157	-	8,622	-
Public welfare	-	-	-	-	-	-	-
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	14,723	-	-	-	8,754
<i>Unassigned</i>	-	(6,694)	-	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<b>13,293</b>	<b>(6,694)</b>	<b>14,723</b>	<b>33,157</b>	<b>-</b>	<b>8,622</b>	<b>8,754</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 13,293</b>	<b>\$ -</b>	<b>\$ 14,723</b>	<b>\$ 33,157</b>	<b>\$ -</b>	<b>\$ 8,622</b>	<b>\$ 8,754</b>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	FEMA 2011 STORM	TOTALS
<b>ASSETS</b>		
Cash and cash equivalents	-	\$ 144,679
Accounts receivable	-	41,028
Due from other funds	-	807,173
	\$ -	\$ 992,880
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	-	\$ 54,854
Due to other funds	-	109,258
	-	164,112
<b>FUND BALANCE</b>		
<i>Restricted for:</i>		
Public welfare	-	47,760
<i>Assigned for:</i>		
Public safety programs	-	37,252
Public welfare	-	64,964
Public works programs	-	318,447
Culture and recreation	-	464,340
<i>Unassigned</i>	-	(103,995)
	-	828,768
	\$ -	\$ 992,880

(concluded)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	15,023	44,931	27,676	-	187,124	3,000	10,000
	15,023	44,931	27,676	-	187,124	3,000	10,000
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	13,499	36,662	-	-	49,416	-	4,136
TOTAL EXPENDITURES	13,499	36,662	-	-	49,416	-	4,136
	13,499	36,662	-	-	49,416	-	4,136
Excess (deficiency) of Revenues Over (Under) Expenditures	1,524	8,269	27,676	-	137,708	3,000	5,864
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	(158,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(158,000)	-	-
	-	-	-	-	(158,000)	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,524	8,269	27,676	-	(20,292)	3,000	5,864
FUND BALANCE - July 1, 2011	16,902	28,659	260,172	7,626	279,808	1,646	11,248
FUND BALANCE - June 30, 2012	18,426	36,928	287,848	7,626	259,516	4,646	17,112
	18,426	36,928	287,848	7,626	259,516	4,646	17,112

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	WIND STUDY
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ 134,000	\$ -	\$ -	\$ 22,235	\$ -	\$ 4,600	\$ 68,010
TOTAL REVENUES	<u>134,000</u>	<u>-</u>	<u>-</u>	<u>22,235</u>	<u>2,590</u>	<u>4,600</u>	<u>68,010</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	130,752	-	-	23,606	600	-	98,288
TOTAL EXPENDITURES	<u>130,752</u>	<u>-</u>	<u>-</u>	<u>23,606</u>	<u>600</u>	<u>-</u>	<u>98,288</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>3,248</u>	<u>-</u>	<u>-</u>	<u>(1,371)</u>	<u>1,990</u>	<u>4,600</u>	<u>(30,278)</u>
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>3,248</u>	<u>-</u>	<u>-</u>	<u>(1,371)</u>	<u>1,990</u>	<u>4,600</u>	<u>(30,278)</u>
FUND BALANCE - July 1, 2011	2,856	346	(386)	43,027	20,836	-	(13,954)
FUND BALANCE - June 30, 2012	<u>\$ 6,104</u>	<u>\$ 346</u>	<u>\$ (386)</u>	<u>\$ 41,656</u>	<u>\$ 22,826</u>	<u>\$ 4,600</u>	<u>\$ (44,232)</u>

(continued)



SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	STREETSCAPE IMPROVEMENTS	HISTORIC PRESERVATION PLANNING	BYRNE GRANT	4 GRINELL ST.	MARSH RESTORATION
REVENUES							
Intergovernmental revenue and departmental Other revenue	\$ -	\$ 31,011	\$ 493,386	\$ -	\$ 3,978	\$ -	\$ -
TOTAL REVENUES	-	31,011	493,386	-	3,978	4,050	-
EXPENDITURES							
Capital							
Other	11,162	11,268	215,301	-	24,076	1,335	-
TOTAL EXPENDITURES	11,162	11,268	215,301	-	24,076	1,335	-
Excess (deficiency) of Revenues Over (Under) Expenditures	(11,162)	19,743	278,085	-	(20,098)	2,715	-
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(11,162)	19,743	278,085	-	(20,098)	2,715	-
FUND BALANCE - July 1, 2011	(6,379)	(31,011)	(278,085)	(2,290)	(1,486)	24,016	14,755
FUND BALANCE - June 30, 2012	(17,541)	(11,268)	-	(2,290)	(21,584)	26,731	14,755

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	STREETSCAPE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ -	-	615	\$ -	\$ -	-	\$ -
TOTAL REVENUES			615	11,856	-	3,050	385
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	-	-	-	11,980	-	1,318	-
TOTAL EXPENDITURES				11,980	-	1,318	-
Excess (deficiency) of Revenues Over (Under) Expenditures			615	(124)	-	1,732	385
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds							
TOTAL OTHER FINANCING SOURCES (USES)							
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			615	(124)	-	1,732	385
FUND BALANCE - July 1, 2011	6,598	1,387	(615)	76,304	5,076	11,872	1,864
FUND BALANCE - June 30, 2012	\$ 6,598	\$ 1,387	\$ -	\$ 76,180	\$ 5,076	\$ 13,604	\$ 2,249

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	DOH - FUNDS	EMPG	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	FEMA 2010 STORM	POLICE PARKING	FIRST PLUNGE
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	15,578	-	-	17,450	63,465	1,010	18,561
TOTAL REVENUES	15,578	-	-	17,450	63,465	1,010	18,561
EXPENDITURES							
Capital	2,285	6,694	-	-	-	6,745	9,807
Other	2,285	6,694	-	-	22,851	6,745	9,807
TOTAL EXPENDITURES	4,570	13,388	-	-	22,851	13,490	19,614
Excess (deficiency) of Revenues Over (Under) Expenditures	13,293	(6,694)	-	17,450	40,614	(5,735)	8,754
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	13,293	(6,694)	-	17,450	40,614	(5,735)	8,754
FUND BALANCE - July 1, 2011	-	-	14,723	15,707	(40,614)	14,357	-
FUND BALANCE - June 30, 2012	13,293	(6,694)	14,723	33,157	-	8,622	8,754

(continued)

TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	FEMA 2011 STORM	TOTALS
REVENUES		
Intergovernmental revenue and departmental	\$ 54,779	\$ 849,244
Other revenue	-	389,119
TOTAL REVENUES	<u>54,779</u>	<u>1,238,363</u>
EXPENDITURES		
Capital	-	-
Other	54,779	736,560
TOTAL EXPENDITURES	<u>54,779</u>	<u>736,560</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	-	501,803
OTHER FINANCING SOURCES (USES)		
Transfer (to) from other funds	-	(158,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(158,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	343,803
FUND BALANCE - July 1, 2011	-	484,965
FUND BALANCE - June 30, 2012	<u>\$ -</u>	<u>\$ 828,768</u>

(concluded)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	EARLY CHILDHOOD	ARRA EDUCATION JOBS FUND	LANGUAGE ASSISTANCE	LITERACY SET ASIDE	PROFESSIONAL DEVELOPMENT	STUDENT EQUITY
ASSETS						
Due from federal and state governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	62,322	-	10,365	13,833	50,761	115,829
TOTAL ASSETS	<u>62,322</u>	<u>\$ -</u>	<u>\$ 10,365</u>	<u>\$ 13,833</u>	<u>\$ 50,761</u>	<u>\$ 115,829</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Deferred revenue	62,322	-	10,365	13,833	50,761	115,829
TOTAL LIABILITIES	<u>62,322</u>	<u>-</u>	<u>10,365</u>	<u>13,833</u>	<u>50,761</u>	<u>115,829</u>
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>62,322</u>	<u>\$ -</u>	<u>\$ 10,365</u>	<u>\$ 13,833</u>	<u>\$ 50,761</u>	<u>\$ 115,829</u>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	TECHNOLOGY	RACE TO THE TOP	ARRA IDEA PART B	IDEA PART B	IDEA PRESCHOOL	TITLE I
ASSETS						
Due from federal and state governments	\$ -	\$ 15,825	\$ -	\$ 43,319	\$ 2,434	\$ 5,716
Due from other funds	28,321	-	-	-	-	-
TOTAL ASSETS	\$ 28,321	\$ 15,825	\$ -	\$ 43,319	\$ 2,434	\$ 5,716
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ 1,938	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	13,887	-	43,319	2,434	5,716
Deferred revenue	28,321	-	-	-	-	-
TOTAL LIABILITIES	28,321	15,825	-	43,319	2,434	5,716
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 28,321	\$ 15,825	\$ -	\$ 43,319	\$ 2,434	\$ 5,716

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	PLAYGROUND	TECHNOLOGY GRANTS
ASSETS						
Due from federal and state governments	\$ 5,716	-	\$ 8,077	\$ -	\$ -	\$ -
Due from other funds	-	1,030	-	500	2,371	770
TOTAL ASSETS	\$ 5,716	\$ 1,030	\$ 8,077	\$ 500	\$ 2,371	\$ 770
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	\$ 5,716	\$ -	\$ 8,077	\$ -	\$ -	\$ -
Deferred revenue	-	1,030	-	500	2,371	770
TOTAL LIABILITIES	\$ 5,716	\$ 1,030	\$ 8,077	\$ 500	\$ 2,371	\$ 770
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 5,716	\$ 1,030	\$ 8,077	\$ 500	\$ 2,371	\$ 770

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2012

	LIBRARY FUND	STUDENT ACTIVITY FUNDS	AFTER SCHOOL PROGRAM	RI FOUNDATION	TOTAL
<b>ASSETS</b>					
Due from federal and state governments	-	-	-	\$	\$ 81,087
Due from other funds	3,443	15,752	14,298	-	319,595
<b>TOTAL ASSETS</b>	<u>\$ 3,443</u>	<u>\$ 15,752</u>	<u>\$ 14,298</u>	<u>\$ -</u>	<u>\$ 400,682</u>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accrued expenses	-	-	\$ 528	\$	\$ 2,466
Due to other funds	-	-	-	-	79,149
Deferred revenue	3,443	15,752	13,770	-	319,067
<b>TOTAL LIABILITIES</b>	<u>3,443</u>	<u>15,752</u>	<u>14,298</u>	<u>-</u>	<u>400,682</u>
<b>FUND BALANCE</b>					
Restricted for:					
Education	-	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 3,443</u>	<u>\$ 15,752</u>	<u>\$ 14,298</u>	<u>\$ -</u>	<u>\$ 400,682</u>

(concluded)



SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	EARLY CHILDHOOD	ARRA EDUCATION JOBS FUND	LANGUAGE ASSISTANCE	LITERACY SET ASIDE	PROFESSIONAL DEVELOPMENT	STUDENT EQUITY
REVENUES						
Intergovernmental revenue and departmental	\$ -	17,818	\$ -	-	\$ -	-
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	-	17,818	-	-	-	-
EXPENDITURES						
Education	-	17,818	-	-	-	-
TOTAL EXPENDITURES	-	17,818	-	-	-	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2011	-	-	-	-	-	-
FUND BALANCE - June 30, 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	TECHNOLOGY	RACE TO THE TOP	ARRA IDEA PART B	IDEA PART B	IDEA PRESCHOOL	TITLE I
REVENUES						
Intergovernmental revenue and departmental	\$ -	\$ 21,558	\$ 21,027	\$ 167,082	\$ 7,883	\$ 22,866
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	-	21,558	21,027	167,082	7,883	22,866
EXPENDITURES						
Education	-	21,558	21,027	167,082	7,883	22,866
TOTAL EXPENDITURES	-	21,558	21,027	167,082	7,883	22,866
Excess (deficiency) of Revenues Over (Under)	-	-	-	-	-	-
Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2011	-	-	-	-	-	-
FUND BALANCE - June 30, 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	PLAYGROUND	TECHNOLOGY GRANTS
REVENUES						
Intergovernmental revenue and departmental	\$ 34,271	-	\$ -	\$ -	\$ -	\$ -
Other revenue	-	150	85,984	-	142	-
TOTAL REVENUES	34,271	150	85,984	-	142	-
EXPENDITURES						
Education	34,271	150	86,084	-	142	-
TOTAL EXPENDITURES	34,271	150	86,084	-	142	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	(100)	-	-	-
FUND BALANCE - July 1, 2011	-	-	100	-	-	-
FUND BALANCE - June 30, 2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	LIBRARY FUND	STUDENT ACTIVITY FUNDS	AFTER SCHOOL PROGRAM	RI FOUNDATION	TOTAL
REVENUES					
Intergovernmental revenue and departmental	-	-	-	\$ -	\$ 292,505
Other revenue	120	-	6,405	-	92,801
TOTAL REVENUES	120	-	6,405	-	385,306
EXPENDITURES					
Education	120	-	6,405	-	385,406
TOTAL EXPENDITURES	120	-	6,405	-	385,406
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(100)
FUND BALANCE - July 1, 2011	-	-	-	-	100
FUND BALANCE - June 30, 2012	-	-	-	\$ -	\$ -

(concluded)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
NON-MAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
June 30, 2012

	SCHOOL CAPITAL IMPROVEMENT FUND	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 48,837	\$ 48,837
Due from other funds	327,998	16,863	-	344,861
TOTAL ASSETS	<u>\$ 327,998</u>	<u>\$ 16,863</u>	<u>\$ 48,837</u>	<u>\$ 393,698</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
<i>Committed for:</i>				
Public works programs	327,998	16,863	48,837	393,698
TOTAL FUND BALANCE	<u>327,998</u>	<u>16,863</u>	<u>48,837</u>	<u>393,698</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 327,998</u>	<u>\$ 16,863</u>	<u>\$ 48,837</u>	<u>\$ 393,698</u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NON-MAJOR CAPITAL PROJECT FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2012**

	SCHOOL CAPITAL IMPROVEMENT FUND	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	TOTAL
<b>REVENUES</b>				
Intergovernmental and departmental	\$ 39,675	-	\$ 49	\$ 39,724
<b>TOTAL REVENUES</b>	<u>39,675</u>	<u>-</u>	<u>49</u>	<u>39,724</u>
<b>EXPENDITURES</b>				
Capital outlay	55,269	-	-	55,269
Non-capital	101,936	-	2,638	104,574
<b>TOTAL EXPENDITURES</b>	<u>157,205</u>	<u>-</u>	<u>2,638</u>	<u>159,843</u>
Excess (deficiency) of Revenues Over (Under)	<u>(117,530)</u>	<u>-</u>	<u>(2,589)</u>	<u>(120,119)</u>
Expenditures Before Other Financing Sources (Uses)				
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in from other funds	155,911	-	-	155,911
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>155,911</u>	<u>-</u>	<u>-</u>	<u>155,911</u>
Net change in fund balances	38,381	-	(2,589)	35,792
<b>FUND BALANCE - July 1, 2011</b>	<u>289,617</u>	<u>16,863</u>	<u>51,426</u>	<u>357,906</u>
<b>FUND BALANCE - June 30, 2012</b>	<u>\$ 327,998</u>	<u>\$ 16,863</u>	<u>\$ 48,837</u>	<u>\$ 393,698</u>

TOWN OF JAMESTOWN, RHODE ISLAND  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGETARY BASIS (NON-GAAP)  
For the Fiscal Year Ended June 30, 2012

	HARBOR MANAGEMENT FUND			WATER FUND		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE						
Assessments and user fees	\$ 314,386	\$ 326,090	\$ 11,704	\$ 855,600	\$ 837,943	\$ (17,657)
Other operating revenues	-	-	-	218,116	209,841	(8,275)
TOTAL OPERATING REVENUE	314,386	326,090	11,704	1,073,716	1,047,784	(25,932)
OPERATING EXPENSES						
Salaries and benefits	94,029	87,726	6,303	342,148	362,896	(20,748)
Material, supplies and maintenance	220,357	110,024	110,333	239,550	284,623	(45,073)
Depreciation and amortization	-	9,826	(9,826)	-	198,649	(198,649)
Capital improvements	-	9,935	(9,935)	100,000	121,425	(21,425)
TOTAL OPERATING EXPENSES	314,386	217,511	96,875	681,698	967,593	(285,895)
Operating Income (Loss)	-	108,579	108,579	392,018	80,191	(311,827)
NON-OPERATING REVENUES (EXPENSES)						
Transfer-in golf course	-	-	-	-	-	-
Gain on sale of capital asset	-	-	-	-	350,611	350,611
Interest income	-	-	-	3,000	3,420	420
Interest expense	-	-	-	(107,018)	(199,128)	(92,110)
Principal payments	-	-	-	(288,000)	(288,000)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	-	-	(392,018)	(133,097)	258,921
Net Income	\$ -	\$ 108,579	\$ 108,579	\$ -	\$ (52,906)	\$ (52,906)

TOWN OF JAMESTOWN, RHODE ISLAND  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES AND EXPENSES-  
BUDGETARY BASIS (NON-GAAP)  
For the Fiscal Year Ended June 30, 2012

	SEWER FUND			ON-SITE WASTEWATER			TOTALS		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE									
Assessments and user fees	\$ 529,588	\$ 981,457	\$ 451,869	\$ 35,740	\$ 35,740	\$ -	\$ 1,735,314	\$ 2,181,230	\$ 445,916
Other operating revenues	6,000	7,063	1,063	-	960	960	224,116	217,864	(6,252)
TOTAL OPERATING REVENUE	535,588	988,520	452,932	35,740	36,700	960	1,959,430	2,399,094	439,664
OPERATING EXPENSES									
Salaries and benefits	346,138	348,028	(1,890)	25,500	28,343	(2,843)	807,815	826,993	(19,178)
Material, supplies and maintenance	197,450	206,019	(8,569)	10,240	4,318	5,922	667,597	604,984	62,613
Depreciation and amortization	-	452,288	(452,288)	-	-	-	-	660,763	(660,763)
Capital improvements	-	-	-	-	-	-	100,000	131,360	(31,360)
TOTAL OPERATING EXPENSES	543,588	1,006,335	(462,747)	35,740	32,661	3,079	1,575,412	2,224,100	(648,688)
Operating Income (Loss)	(8,000)	(17,815)	(9,815)	-	4,039	4,039	384,018	174,994	(209,024)
NON-OPERATING REVENUES (EXPENSES)									
Transfer-in from golf course	8,000	8,000	-	-	-	-	8,000	8,000	-
Gain on sale of capital asset	-	-	-	-	-	-	-	350,611	350,611
Interest income	-	-	-	-	-	-	3,000	3,420	420
Interest expense	-	(83,569)	(83,569)	-	-	-	(107,018)	(282,697)	(175,679)
Principal payments	-	(377,692)	(377,692)	-	-	-	(288,000)	(665,692)	(377,692)
TOTAL NON-OPERATING REVENUES (EXPENSES)	8,000	(453,261)	(461,261)	-	-	-	(384,018)	(586,358)	(202,340)
Net Income	\$ -	\$ (471,076)	\$ (471,076)	\$ -	\$ 4,039	\$ 4,039	\$ -	\$ (411,364)	\$ (411,364)



**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**COMBINING STATEMENT OF NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**JUNE 30, 2012**

	ANNA J. AMBRUST FUND	FREEBODY FUND	ELIZABETH STONE SCHOLARSHIP FUND	TOTAL
<b>ASSETS</b>				
Cash & equivalents	\$ 1,228	\$ 1,193	\$ 142,761	\$ 145,182
<b>Total assets</b>	\$ 1,228	\$ 1,193	\$ 142,761	\$ 145,182
 <b>NET ASSETS</b>				
Held in trust for other purposes	1,228	1,193	142,761	145,182
<b>Total net assets</b>	\$ 1,228	\$ 1,193	\$ 142,761	\$ 145,182

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**COMBINING STATEMENT OF CHANGES IN NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	ANNA J. AMBRUST FUND	FREEBODY FUND	ELIZABETH STONE SCHOLARSHIP FUND	TOTAL		
<b>ADDITIONS</b>						
Interest and dividends	\$ 1	\$ 1	\$ 538	\$ 540		\$ 540
<b>Total additions</b>	<u>1</u>	<u>1</u>	<u>538</u>	<u>540</u>		
<b>DEDUCTIONS</b>						
Scholarship awards	-	-	4,000	4,000		4,000
<b>Total deductions</b>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>		<u>4,000</u>
<b>Change in net assets</b>	1	1	(3,462)	(3,460)		(3,460)
<b>Net assets - beginning of year</b>	<u>1,227</u>	<u>1,192</u>	<u>146,223</u>	<u>148,642</u>		<u>148,642</u>
<b>Net assets - end of year</b>	<u>\$ 1,228</u>	<u>\$ 1,193</u>	<u>\$ 142,761</u>	<u>\$ 145,182</u>		<u>\$ 145,182</u>

**GENERAL FUND &  
SCHOOL DEPARTMENT OPERATIONS**

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Balance Sheet**  
**Town and School Operations**  
**June 30, 2012**

	<b>General Fund</b>	<b>Unrestricted Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,438,195	\$ 2,324	\$ 8,440,519
<b>Accounts receivable:</b>			
Accounts receivable net	389,045	-	389,045
Other receivables	115,391	8,220	123,611
Internal balances	2,255,591	3,694,803	5,950,394
Other Assets - net	57,032	-	57,032
<b>TOTAL ASSETS</b>	<b>\$ 11,255,254</b>	<b>\$ 3,705,347</b>	<b>\$ 14,960,601</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 409,017	\$ 109,170	\$ 518,187
Accrued expenses	160,000	644,810	804,810
Internal balances	5,824,515	587,551	6,412,066
Deferred revenue	280,751	-	280,751
<b>Total liabilities</b>	<b>6,674,283</b>	<b>1,341,531</b>	<b>8,015,814</b>
 <b>Fund balances:</b>			
<i>Nonspendable:</i>			
Inventories	11,124	-	11,124
Prepays	45,908	-	45,908
<i>Restricted for:</i>			
Educational programs	-	1,964,205	1,964,205
<i>Committed for:</i>			
2013 Budgeted operations	150,000	-	150,000
Capital programs	-	162,175	162,175
Compensated absences	443,947	237,436	681,383
<i>Unassigned:</i>			
	3,929,992	-	3,929,992
<b>Total fund balances</b>	<b>4,580,971</b>	<b>2,363,816</b>	<b>6,944,787</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,255,254</b>	<b>\$ 3,705,347</b>	<b>\$ 14,960,601</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Town and School Operations**  
**For the Fiscal Year Ended June 30, 2012**

	<u>Town Operations</u>	<u>School Operations</u>	<u>Total</u>
<b>Revenues</b>			
Property tax	\$ 18,065,154	\$ -	\$ 18,065,154
Intergovernmental and departmental revenue	1,198,062	948,746	2,146,808
Federal revenue - State fiscal stabilization	-	23,794	23,794
License and permits	858,933	-	858,933
Fines and interest on late payments	130,817	-	130,817
Interest on investments	27,601	-	27,601
Other revenues	87,835	-	87,835
<b>Total revenues</b>	<u>20,368,402</u>	<u>972,540</u>	<u>21,340,942</u>
<b>Expenditures</b>			
Legislative, judicial and general administrative	1,947,278	-	1,947,278
Financial administration and tax assessor	299,135	-	299,135
Public safety	2,160,815	-	2,160,815
Public works	1,558,042	-	1,558,042
Public welfare	3,964	-	3,964
Public health	279,296	-	279,296
Tree warden	34,879	-	34,879
Library	357,584	-	357,584
Parks & recreation	464,836	-	464,836
Other	72,920	-	72,920
Education	-	11,862,654	11,862,654
<b>Debt service:</b>			
Principal	665,000	-	665,000
Interest	405,295	-	405,295
<b>Total expenditures</b>	<u>8,249,044</u>	<u>11,862,654</u>	<u>20,111,698</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>12,119,358</u>	<u>(10,890,114)</u>	<u>1,229,244</u>
<b>Other financing sources (uses)</b>			
Transfers from other funds	150,000	11,398,023	11,548,023
Transfers to other funds	(12,416,574)	(155,911)	(12,572,485)
<b>Total other financing sources (uses)</b>	<u>(12,266,574)</u>	<u>11,242,112</u>	<u>(1,024,462)</u>
<b>Excess of revenues and other sources over(under) expenditures and other uses</b>	<u>(147,216)</u>	<u>351,998</u>	<u>204,782</u>
<b>Fund balances - beginning</b>	<u>4,728,187</u>	<u>2,011,818</u>	<u>6,740,005</u>
<b>Fund balances - ending</b>	<u>\$ 4,580,971</u>	<u>\$ 2,363,816</u>	<u>\$ 6,944,787</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2012**

The accompanying Statement of Revenues, Expenditures (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2012 is presented below:

	General <u>Fund</u> GAAP Basis	School <u>Department</u> GAAP Basis	<u>Combined</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 287,784	\$ 507,909	\$ 795,693
<i>Adjustments:</i>			
To adjust for use of accumulated surplus	<u>(435,000)</u>	<u>(155,911)</u>	<u>(590,911)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ (147,216)</u>	<u>\$ 351,998</u>	<u>\$ 204,782</u>

**SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
School Department Operations  
Schedule of Revenues and Expenditures  
For the Fiscal Year Ended June 30, 2012**

	<b>ACTUAL</b>
<b>REVENUES</b>	
Intergovernmental and departmental revenue	\$ 588,833
Federal revenue - State fiscal stabilization	23,794
Intergovernmental On-behalf payments	359,913
<b>TOTAL REVENUES</b>	<b>972,540</b>
<b>EXPENDITURES</b>	
Personnel Services - Compensation	5,248,340
Personnel Services - Benefits	2,621,739
Professional Services	231,666
Purchased Property Services	114,962
Other Purchased Services	3,174,365
Supplies and materials	388,071
Capital Outlay - Equipment	63,205
Dues and Fees	20,306
<b>TOTAL EXPENDITURES</b>	<b>11,862,654</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	
Before Operating Transfers	<b>(10,890,114)</b>
<b>OPERATING TRANSFERS</b>	
Town appropriation	11,398,023
Transfers out	(155,911)
<b>TOTAL OPERATING TRANSFERS</b>	<b>11,242,112</b>
Excess of Revenues and Operating Transfers	
Over (Under) Expenditures	351,998
Operational Reserves - beginning	2,011,818
Operational Reserves - ending	<b>\$ 2,363,816</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Schedule of Revenues and Expenditures**  
**For the Fiscal Year Ended June 30, 2012**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
<b>REVENUES</b>				
Intergovernmental and departmental revenue	\$ 424,730	\$ 424,730	\$ 588,833	\$ 164,103
<b>TOTAL REVENUES</b>	<u>424,730</u>	<u>424,730</u>	<u>588,833</u>	<u>164,103</u>
<b>EXPENDITURES</b>				
Education	11,822,753	11,822,753	11,478,947	343,806
<b>TOTAL EXPENDITURES</b>	<u>11,822,753</u>	<u>11,822,753</u>	<u>11,478,947</u>	<u>343,806</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Operating Transfers	<u>(11,398,023)</u>	<u>(11,398,023)</u>	<u>(10,890,114)</u>	<u>507,909</u>
<b>OPERATING TRANSFERS</b>				
Town appropriation	11,398,023	11,398,023	11,398,023	-
Use of prior year accumulated surplus	155,911	155,911	155,911	-
Transfer out	(155,911)	(155,911)	(155,911)	-
<b>TOTAL OPERATING TRANSFERS</b>	<u>11,398,023</u>	<u>11,398,023</u>	<u>11,398,023</u>	<u>-</u>
Excess of Revenues and Operating Transfers Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 507,909</u>	<u>\$ 507,909</u>



**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Budget and Actual Schedule of Revenues**  
**For the Fiscal Year Ended June 30, 2012**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
State Aid	\$ 297,230	\$ 297,230	\$ 421,580	\$ 124,350
Preschool tuition	37,500	37,500	46,050	8,550
Medicaid reimbursement	90,000	90,000	96,363	6,363
Miscellaneous	-	-	24,840	24,840
<b>TOTAL REVENUES</b>	<b>424,730</b>	<b>424,730</b>	<b>588,833</b>	<b>164,103</b>
OTHER FINANCING SOURCES				
Town appropriation	11,398,023	11,398,023	11,398,023	-
Use of prior year accumulated surplus	155,911	155,911	155,911	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>11,553,934</b>	<b>11,553,934</b>	<b>11,553,934</b>	<b>-</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 11,978,664</b>	<b>\$ 11,978,664</b>	<b>\$ 12,142,767</b>	<b>\$ 164,103</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Budget and Actual Schedule of Expenditures**  
**For the Fiscal Year Ended June 30, 2012**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Personnel Services - Compensation	\$ 5,200,567	\$ 5,200,567	\$ 5,224,546	\$ (23,979)
Personnel Services - Benefits	2,488,951	2,488,951	2,261,826	227,125
Professional Services	238,869	238,869	231,666	7,203
Purchased Property Services	97,797	97,797	114,962	(17,165)
Other Purchased Services	3,302,288	3,302,288	3,174,365	127,923
Supplies and materials	418,789	418,789	388,071	30,718
Capital Outlay - Equipment	54,482	54,482	63,205	(8,723)
Dues and Fees	21,010	21,010	20,306	704
<b>Total Expenditures</b>	<u>11,822,753</u>	<u>11,822,753</u>	<u>11,478,947</u>	<u>343,806</u>
Transfer out	155,911	155,911	155,911	-
<b>Total Expenditures and other financing uses</b>	<u>\$ 11,978,664</u>	<u>\$ 11,978,664</u>	<u>\$ 11,634,858</u>	<u>\$ 343,806</u>

## ***STATISTICAL SECTION***

The Statistical Schedules differ from other financial statement presentations because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the Town.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SCHEDULE OF TAX COLLECTIONS**  
**For the Fiscal Year Ended June 30, 2012**

FISCAL YEAR END	BALANCE July 1, 2011	CURRENT YEAR ASSESSMENT	REFUNDS	ADDITIONS AND ADJUSTMENTS	ABATEMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	BALANCE June 30, 2012
2012	\$ -	\$ 18,766,529	\$ 7,783	\$ 275,630	\$ 425,528	\$ 18,624,414	\$ 18,340,078	\$ 284,336
2011	225,490	257	7,816	163,032	348	396,247	382,334	13,912
2010	9,928	-	-	115	137	9,905	2,500	7,406
2009	6,601	-	-	-	51	6,550	963	5,587
2008	5,579	-	-	-	117	5,462	1,026	4,436
2007	2,951	-	-	-	127	2,824	89	2,735
2006	3,865	-	-	-	51	3,814	86	3,728
2005	2,832	992	-	-	-	3,824	-	3,824
2004	1,741	-	-	-	11	1,730	-	1,730
2003	2,035	-	-	-	-	2,035	-	2,035
2002	1,704	-	-	-	-	1,704	22	1,682
2001	3,591	-	-	-	-	3,591	5	3,586
2000 & Prior	54,171	-	-	14	93	54,092	44	54,048
	\$ 320,488	\$ 18,767,778	\$ 15,598	\$ 438,790	\$ 426,463	\$ 19,116,192	\$ 18,727,147	\$ 389,045

**SCHEDULE OF MOST RECENT NET ASSESSED PROPERTY VALUE BY CATEGORY**

DESCRIPTION OF PROPERTY	VALUATIONS	LEVY
Real property	\$ 1,970,719,000	\$ 18,150,322
Motor vehicles	66,106,515	953,256
Tangible personal	10,934,275	100,705
TOTAL	2,047,759,790	19,204,283
Less exemptions	42,108,828	(437,754)
NET ASSESSED VALUE	\$ 2,005,650,962	\$ 18,766,529

**RECONCILIATION OF CURRENT YEAR PROPERTY TAX REVENUE**

Current year collections	\$ 18,727,147
Less: Refunds, adjustments	(79,134)
Reserve collected within 60 days subsequent to fiscal year ending June 30, 2012	173,343
Prior year revenue received in current year	(219,675)
CURRENT YEAR RE PROPERTY TAX & EXCISE TAX REVENUE	\$ 18,601,681

TOWN OF JAMESTOWN, RHODE ISLAND  
 SCHEDULE OF LONG-TERM DEBT - GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended June 30, 2012

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2011	ADDITIONS	MATURITIES DURING YEAR	OUTSTANDING June 30, 2012
<b>GENERAL OBLIGATION BONDS PAYABLE</b>								
General Obligation Bond	6/15/2008	4.15-4.25%	6/15/2033	\$ 4,900,000	\$ 4,800,000	\$ -	\$ 50,000	\$ 4,750,000
Town Hall Bond	4/1/2007	3.89%	4/1/2027	3,300,000	2,640,000	-	165,000	2,475,000
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	5,321,500	2,560,500	-	450,000	2,110,500
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>				<u>13,521,500</u>	<u>10,000,500</u>	<u>-</u>	<u>665,000</u>	<u>9,335,500</u>
<b>TOTAL BONDS PAYABLE - GOVERNMENTAL ACTIVITIES</b>								
				\$ 13,521,500	\$ 10,000,500	\$ -	\$ 665,000	\$ 9,335,500
<b>OTHER LONG-TERM LIABILITIES</b>								
Net Pension Benefit					(1,071,687)	92,447	-	(979,240)
Net OPEB Obligation					1,528,775	59,857	-	1,588,632
Accrued Compensated Absences					741,981	42,508	103,105	681,384
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>					<u>1,199,069</u>	<u>194,812</u>	<u>103,105</u>	<u>1,290,776</u>
<b>TOTAL LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES</b>								
					\$ 11,199,569	\$ 194,812	\$ 768,105	\$ 10,626,276

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SCHEDULE OF LONG-TERM DEBT - ENTERPRISE FUNDS**  
For the Fiscal Year Ended June 30, 2012

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2011	NEW ISSUES	MATURITIES DURING YEAR	OUTSTANDING June 30, 2012
<b>WATER FUND</b>								
Clean Water Refunding Bonds	3/7/2007 6/1/2004	3.05% 2.75-5.00%	9/1/2027 12/1/2020	\$ 6,200,000 470,000	\$ 5,518,000 240,000	- -	\$ 243,000 45,000	\$ 5,275,000 195,000
<b>TOTAL WATER FUND OBLIGATION</b>								
				\$ 6,670,000	\$ 5,758,000	-	\$ 288,000	\$ 5,470,000
<b>SEWER FUND</b>								
Refunding Bonds Sewer Plant Rehabilitation-CW Sewer Plant Rehabilitation-CW	6/1/2004 12/15/2005 10/24/2002	2.75-5.00% 1.371% 1.022%	12/1/2020 9/1/2025 9/1/2022	\$ 73,500 2,000,000 5,500,000	\$ 50,000 1,500,000 3,771,529	- - -	\$ 5,000 100,000 272,692	\$ 45,000 1,400,000 3,498,837
<b>TOTAL SEWER FUND OBLIGATION</b>								
				\$ 7,573,500	\$ 5,321,529	-	\$ 377,692	\$ 4,943,837
<b>TOTAL ENTERPRISE FUNDS</b>								
				\$ 14,243,500	\$ 11,079,529	-	\$ 665,692	\$ 10,413,837

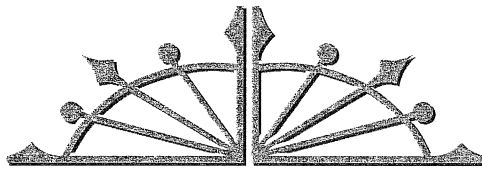
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Computation of Legal Debt Margin**  
**June 30, 2012**

Grossed assessed value	\$ 2,047,759,790
Less: exemptions and adjustments	42,108,828
<b>Total taxable assessed value</b>	<u><u>\$ 2,005,650,962</u></u>
Debt Limit - 3 percent of total assessed value	\$ 60,169,529
Amount of debt applicable to debt limit:	
Total bonded debt	9,335,500
<b>Legal debt margin</b>	<u><u>\$ 50,834,029</u></u>

***TOWN OF JAMESTOWN, RHODE ISLAND***

***SINGLE AUDIT SECTION***





**BAXTER DANSEREAU & ASSOCIATES, LLP**  
Accounting, Consulting & Tax Services

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*Partners*  
William J. Baxter, Jr., CPA  
Paul L. Dansereau, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable President  
and Members of the Town Council  
Town of Jamestown, Rhode Island

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jamestown, Rhode Island, as of and for the year fiscal ended June 30, 2012, and have issued our report thereon dated December 21, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of the Town of Jamestown, Rhode Island is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis.


Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matter**

As part of obtaining reasonable assurance about whether Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

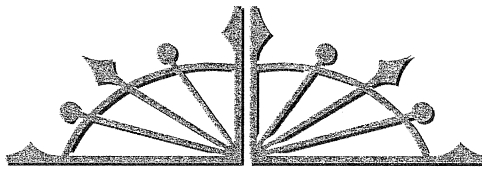
We noted certain other matters that we reported to management of the Town in a separate letter dated December 21, 2012.

This report is intended solely for the information and use of management, the Town Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Baxter Dansfeau & Associates, LLP". The signature is written in black ink and is positioned above the printed name of the firm.

Baxter Dansfeau & Associates, LLP

December 21, 2012



**BAXTER DANSEREAU & ASSOCIATES, LLP**  
Accounting, Consulting & Tax Services

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*Partners*  
William J. Baxter, Jr., CPA  
Paul L. Dansereau, CPA

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President  
and Members of the Town Council  
Town of Jamestown, Rhode Island

**Compliance**

We have audited the Town of Jamestown, Rhode Island, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2012. The Town of Jamestown's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Town of Jamestown's management. Our responsibility is to express an opinion on the Town of Jamestown's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

**Internal Control Over Compliance**

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Town Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
Baxter Dansereau & Associates, LLP  
December 21, 2012

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2012**

	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>			
<b>Passed through the State of Rhode Island Department of Education</b>			
<i>Child Nutrition Cluster:</i>			
National School Breakfast Program	10.553	N/A	\$ 1,280
National School Lunch Program	10.555	N/A	22,238
Food Donation (Note 4)	10.550	N/A	1,692
<b>Total U.S. Department of Agriculture</b>			<u>\$ 25,210</u>
<b>U.S. Department of Housing and Urban Development</b>			
<b>Passed through the State of Rhode Island Office of Housing and Community Development</b>			
Community Development Block Grant/States Program	14.228	N/A	\$ 130,752
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 130,752</u>
	0		
<b>U.S. Department of Justice</b>			
<b>Passed through the State of Rhode Island Department of Mental Health</b>			
Enforcing Underage Drinking Laws Program	16.727	N/A	\$ 23,606
<b>Passed through the State of Rhode Island Department of Public Safety</b>			
<i>Department of Justice Cluster</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	14,045
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804	N/A	10,031
<b>Total U.S. Department of Justice</b>			<u>\$ 47,682</u>
<b>U.S. Department of Transportation</b>			
<b>Passed-through the State of Rhode Island Department of Transportation</b>			
ARRA - Highway Planning and Construction	20.205	N/A	\$ 183,503
<b>Total U.S. Department of Transportation</b>			<u>\$ 183,503</u>
<b>U.S. Department of Energy</b>			
<b>Passed-through the State of Rhode Island Office of Energy Resources</b>			
ARRA-Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	N/A	\$ 109,449
<b>Total U.S. Department of Energy</b>			<u>\$ 109,449</u>
<b>U.S. Department of Education</b>			
<b>Passed-through the State of Rhode Island Department of Education</b>			
Title I Grants to Local Education Agencies	84.010	2725-11702-201	\$ 22,866
<i>Special Education Cluster:</i>			
Special Education - Grants to States	84.027	2725-13202-201	167,082
Special Education - Preschool Grants	84.173	2725-13502-201	7,883
ARRA- Special Education - Grants to States	84.391	4572-10202-101	21,027
ARRA - Education Jobs Fund	84.410	4572-13102-101	17,818
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top	84.395	Various	21,558
Improving Teacher Quality State Grants	84.367	2725-16402-201	34,271
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394	4572-10502-101	23,794
<b>Total U.S. Department of Education</b>			<u>\$ 316,299</u>
<b>U.S. Department of Homeland Security</b>			
<b>Passed-through the State of Rhode Island Department of Administration</b>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	\$ 77,630
<b>Total U.S. Department of Homeland Security</b>			<u>\$ 77,630</u>
<b>Total Federal Expenditures</b>			<u>\$ 890,525</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2012**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified?        yes   X   no

Significant deficiency (ies) identified that are not considered to be material weaknesses?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**Federal Awards**

Internal control over major programs:

Material weakness (es) identified?        yes   X   no

Significant deficiency (ies) identified that are not considered to be material weakness (es)?        yes   X   none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB circular A-133?        yes   X   no

**Identification of major programs:**

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
	<i>Special Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants
84.391	ARRA – Special Education Grants to States
20.205	ARRA-Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low risk auditee?   X   yes        no

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2012**  
**(continued)**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

\_\_\_\_\_ yes      X   none

**SECTION III – FEDERAL AWARDS FINDINGS AND  
QUESTIONED COSTS**

\_\_\_\_\_ yes      X   none

**TOWN OF JAMESTOWN, RHODE ISLAND**  
***Schedule of Findings and Questioned Costs***  
***For The Fiscal Year Ended June 30, 2012***  
***(continued)***

**SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT  
AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**A. Significant Deficiency in Internal Control**

None Reported

**B. Compliance**

None Reported

**SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS**

**A. Findings**

None Reported

**B. Questioned Costs**

None Reported



***TOWN OF JAMESTOWN, RHODE ISLAND***  
***Schedule of Prior Year Findings and Questioned Costs***  
***Year Ended June 30, 2012***

**PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS**

**A. Findings**

None Reported

**B. Questioned Costs**

None Reported

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Notes to Schedule of Expenditures of Federal Awards**  
**June 30, 2012**

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Jamestown, Rhode Island.
2. **Basis of Accounting** - The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Determination of Type A, Type B and Major Programs** - The determination of Type A and Type B federal programs was based upon the expenditures for all federal programs for the Town of Jamestown, Rhode Island. As such, the threshold for determining Type A vs. Type B programs is determined at the entity level. For the fiscal year-ended June 30, 2012, grants with expenditures exceeding \$300,000 were determined to be Type A programs and all other grants were considered Type B programs. The following programs were considered major programs:

<u>CFDA</u>	<u>Program Name</u>
	<i>Special Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants
84.391	ARRA-Special Education Grants to States
20.205	ARRA-Highway Planning and Construction

4. **Non-Cash Assistance**

U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$1,692 represents the market value of such commodities used during the period.